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ILLINOIS HOUSING LAWS

Statutes of the State of Illinois relative to Housing, Slum Clearance, Redevelopment, Redevelopment Commissions, Redevelopment Corporations, Public Building Commissions and related matters as set forth in the Illinois Revised Statutes, 1955, State Bar Association Edition, together with synopses of decisions by the Supreme Court of the State of Illinois, the Illinois Appellate Court, the United States District Court, Northern District of Illinois, Eastern Division, the United States Court of Appeals, Seventh Circuit and the United States Supreme Court interpreting and sustaining said statutes.



STATE HOUSING BOARD
STATE OF ILLINOIS



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STATE HOUSING BOARD
STATE OF ILLINOIS



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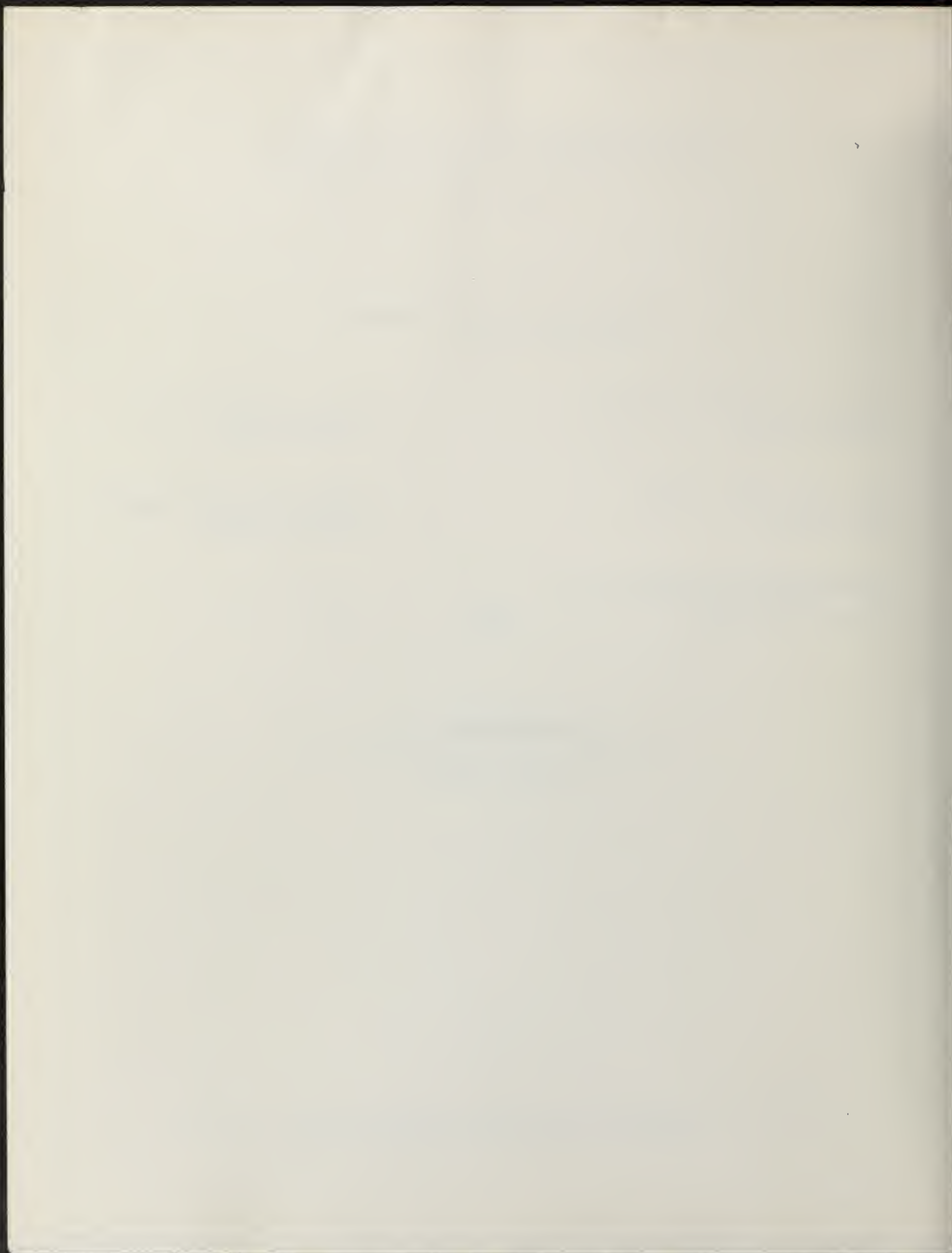
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Managing Director and Secretary
Chicago, Illinois

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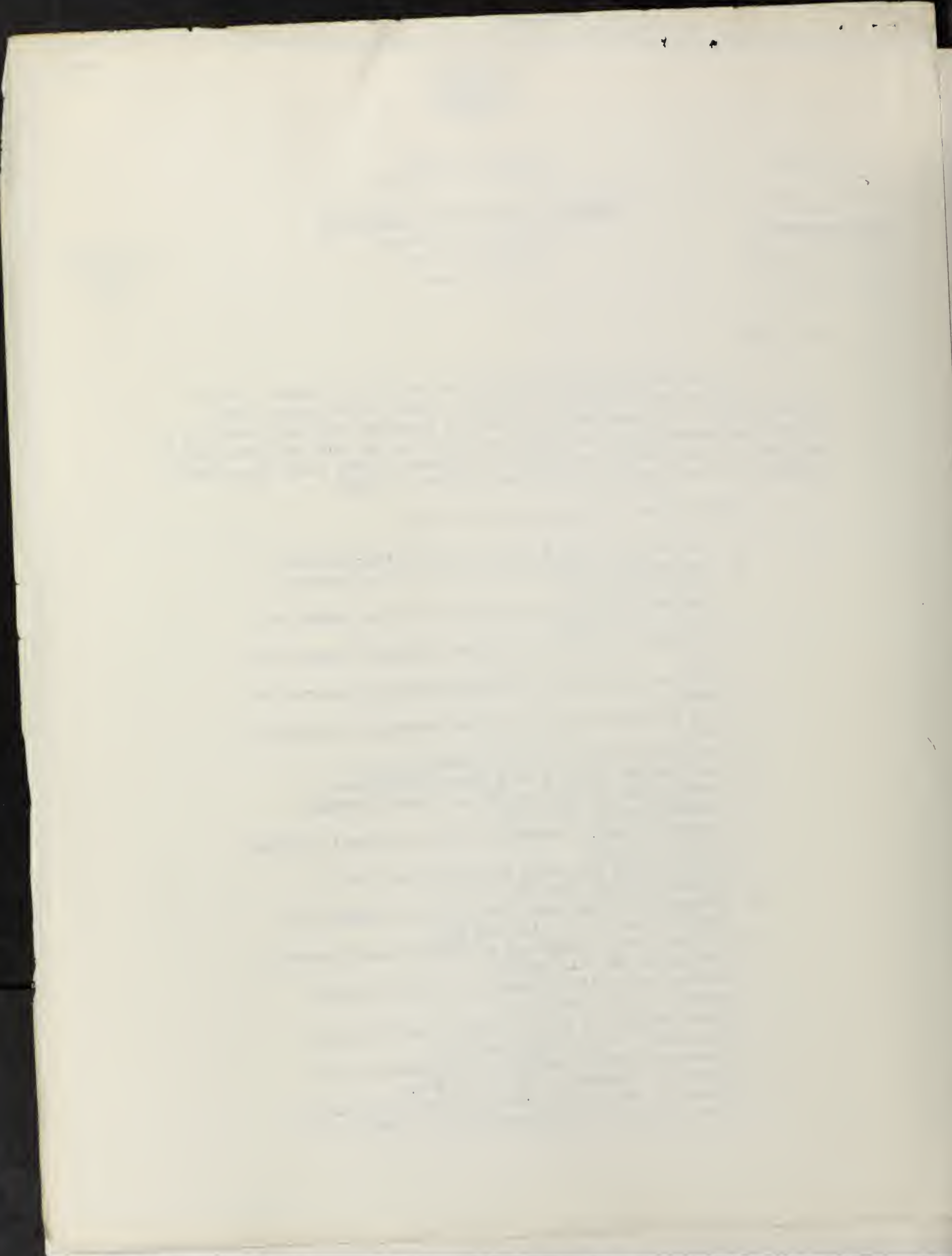
F. T. McNICHOLAS
MANAGING DIRECTOR
AND
SECRETARY

Dear Sir:

We are enclosing herewith printed copies of various changes made by the General Assembly in 1959 to Chapter 67½ - Housing and Redevelopment - Illinois Revised Statutes together with the headnotes to several additional cases interpreting said laws so that the same may be inserted on the appropriate pages of Illinois Housing Laws (Green Book) prepared by the Illinois State Housing Board in 1956.

Said changes and cases are as follows:

1. New Section 8.10, § 8.10 Housing Authorities Act.
2. New Sections 25.02, 25.03, 25.04, 25.05 Housing Authorities Act.
3. New Section 88.4 § 26.4 Blighted Areas Redevelopment Act of 1947.
4. New Section 91.10 § 3 Urban Community Conservation Act.
5. New Section 91.13 § 6 Urban Community Conservation Act.
6. New Section 91.13a § 6a Urban Community Conservation Act.
7. New Section 171 § 21 State Housing Act.
8. New Section 171.1 § 21.1 State Housing Act.
9. George Ross et al., vs Chicago Land Clearance Commission 413 Ill. 377.
10. Chicago Housing Authority vs Sol and Carol Blackman 4 Ill. 2nd 319.
11. Chicago Land Clearance Commission vs Irma C. Rosenau 10 Ill. 2nd 501.
12. Chicago Land Clearance Commission vs Quinn Home Builders et al, 11 Ill. 2nd 111.
13. People ex rel. Adamowski vs Chicago Land Clearance Commission 14 Ill. 2nd 74.
14. Housing Authority of East St. Louis vs George Kosydor 17 Ill. 2nd 302.
15. Jacob Shapiro et al, vs Chicago Land Clearance Commission 19 Ill. App. 2nd 461.
16. Florence Kostner, Petitioner vs Chicago Land Clearance Commission 355 U. S. 820.
17. Thomas O' Donnell and Mary O'Donnell vs Chicago Land Clearance Commission 355 U. S. 850.



For the numerous amendments that have been made to the various other statutory provisions set forth in Illinois Housing Laws (Green Book) we suggest that you refer to the Illinois Revised Statutes, 1959, State Bar Association Edition.

Yours very truly,

A handwritten signature in dark ink, appearing to read "Temple McFayden", written in a cursive style.

TEMPLE McFAYDEN, Chairman
State Housing Board



FOREWORD

Grateful appreciation herewith is expressed to the following for their cooperation in the preparation of this booklet:

1 - To Burdette Smith Company for permission to include portions of the Illinois Statutes relative to Housing, Slum Clearance, Redevelopment, the Public Building Commission Act and other related subjects as they appear in the Illinois Statutes, 1955, State Bar Association Edition, together with copyrighted catch lines or headings; references to decisions by the Illinois Supreme and Appellate Courts construing said laws being found in the Smith-Hurd Illinois Annotated Statutes under the chapters and sections as used in the Illinois Revised Statutes, State Bar Association Edition, which are identical therewith.

2 - To Callaghan & Company for permission to use copyrighted headnotes appearing in the Illinois Reporter and Illinois Reporter, Second Series, in connection with important decisions of the Appellate Court of Illinois sustaining and interpreting various Illinois Statutes relative to Housing, Slum Clearance and Redevelopment.

3 - To Hon. Edwin Hill Cooke, Official Reporter, for permission to use the copyrighted headnotes appearing in the Illinois Official Reporter in connection with important decisions in the Illinois Supreme Court sustaining and interpreting various Illinois Statutes relative to Housing, Slum Clearance and Redevelopment.

4 - To West Publishing Company for permission to use the copyrighted headnotes appearing in Federal Supplement and Federal Reporter, Second Series, in connection with important decisions in the Federal Courts sustaining and interpreting various Illinois Statutes relative to Housing, Slum Clearance and Redevelopment presented in cases arising in the Northern District of Illinois, Eastern Division.

Temple McFayden, Chairman
Illinois State Housing Board

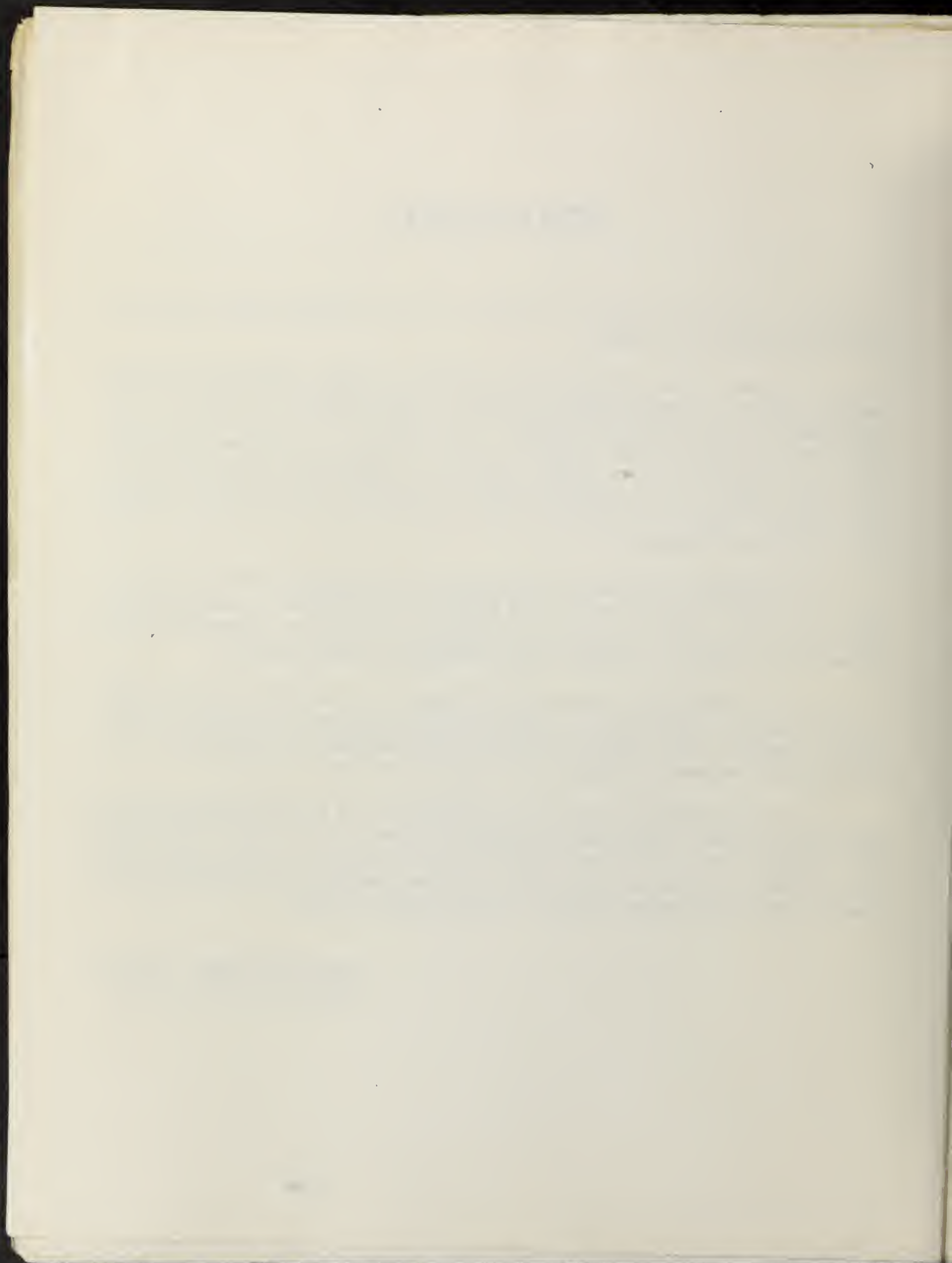


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(b) \$3,330,000 to be matched with contributions of like amounts as used, made within the time limits fixed, by the instrumentalities, political subdivisions and municipal corporations availing themselves of said appropriation for use in pursuance of the provisions of "An Act in relation to rehousing of persons in areas of redevelopment projects undertaken pursuant to the Blighted Areas Redevelopment Act of 1947."			
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ILLINOIS STATE HOUSING BOARD

Preface

The Illinois State Housing Board was established by the Legislature in 1933 under a statute known as the "State Housing Act". The members of the Board are appointed by the Governor with the advice and consent of the Senate for a six year term and serve without compensation. Not more than three of the members can come from any one county in the state and at least three members shall have experience in the design, construction or management of buildings, or in the purchase and sale of real estate.

From time to time the Legislature has added to the responsibilities of the State Housing Board by providing not only for the supervision and approval of said housing activities as specified in the Housing Authorities Act but also of the slum clearance activities of housing authorities and land clearance commissions as provided by subsequent legislation.

The State Housing Board has extensive jurisdiction over the affairs of the 116 local housing authorities and land clearance commissions in the State. Its duties include the following: approval of the appointment of all commissioners and employees of housing authorities and land clearance commissions; issuance of certificates creating the local agencies, and examination of their financial and management operations; approval of applications and allocation of state grants; approval of acquisition and sale or conveyance of properties or projects; study of housing needs; and promotion of activities to replace socially blighted areas.

One of the major activities of the State Housing Board has been the administration of \$30 million in grants appropriated by the 64th and 65th General Assemblies to housing authorities and land clearance commissions. Under the direction of the State Housing Board, about 7,000 units of housing have been built and some 1,400 building sites have been made available for improvement and construction by private builders.

The expenditures of the state grants mentioned above are subject to the approval of the State Housing Board and no housing authority or land clearance commission can expend any of these state grant funds for any purpose whatsoever without first securing the prior written approval of the State Housing Board. The following is a list of the housing authorities and land clearance commissions in the State of Illinois under the jurisdiction of the State Housing Board and the total amount of state grant funds they have received.

County Housing Authorities	Location	State grant
Adams	Quincy	\$ 51,942
Alexander	Cairo	53,486
Bond	Greenville	30,502
Boone	Belvidere	31,891
Bureau	Princeton	78,879
Calhoun	Hardin	17,217
Carroll	Mt. Carroll	37,733
Champaign	Urbana	148,059
Christian	Pana	80,900
Clark	Marshall	39,528
Clay	Flora	39,747
Clinton	Breese	48,066
Coles	Mattoon	80,703
Cook	Chicago	885,214
Crawford	Robinson	44,671

County Housing Authorities	Location	State grant
Cumberland	Toledo	\$ 24,541
DeKalb	DeKalb	72,141
DeWitt	Clinton	38,273
Douglas	Villa Grove	36,900
DuPage	Downers Grove	217,082
Edgar	Paris	51,250
Edwards	Albion	18,825
Effingham	Effingham	46,224
Fayette	Vandalia	61,170
Ford	Paxton	31,482
Franklin	Sesser	111,472
Fulton	Lewistown	93,620
Gallatin	Shawneetown	23,944
Greene	White Hall	42,569
Grundy	Morris	38,596
Hamilton	McLeansboro	28,224
Hancock	Carthage	55,166
Hardin	Elizabethtown	16,277
Henderson	Stronghurst	18,774
Henry	Kewanee	91,881
Iroquois	Watseka	68,170
Jackson	Carbondale	79,550
Jasper	Newton	28,177
Jefferson	Mt. Vernon	72,113
Jersey	Jerseyville	28,606
JoDaviess	Galena	41,933
Johnson	Vienna	22,503
Kankakee	Kankakee	127,709
Kendall	Plano	23,295
Knox	Galesburg	109,612
Lake	Great Lakes	198,825
LaSalle	Ottawa	205,169
Lawrence	Bridgeport	44,212
Lee	Dixon	72,593
Livingston	Forrest	81,475
Logan	Lincoln	61,756
Macoupin	Carlinville	97,137
Madison	Madison	265,112
Marion	Salem	100,673
Marshall	Toluca	27,647
Mason	Havana	32,218
Massac	Metropolis	31,335
McDonough	Macomb	56,523
McHenry	Woodstock	78,245
McLean	Bloomington	86,139
Menard	Petersburg	22,369
Mercer	Aledo	37,133
Montgomery	Hillsboro	72,373
Morgan	Jacksonville	76,314
Moultrie	Arthur	28,272
Ogle	Oregon	62,660
Peoria	Peoria	101,297
Perry	Pinckneyville	49,169
Platt	Monticello	30,662
Pike	Pittsfield	53,159
Pope	Golconda	16,781
Pulaski	Olmsted	33,303
Putnam	Granville	11,095
Randolph	Chester	70,504
Rock Island	East Moline	75,396
Saline	Harrisburg	79,856
Sangamon	Illipolis	88,966

County Housing Authorities	Location	State grant	City Housing Authorities	State grant
Schuyler	Rushville	23,979	Springfield	158,392
Scott	Winchester	17,152	Waukegan	55,208
Shelby	Shelbyville	55,152		
Stark	Toulon	18,631		
Stephenson	Freeport	85,268		
St. Clair	East St. Louis	350,123		
Tazewell	Pekin	122,433	Land Clearance	State
Union	Cobden	45,162	Commissions	grant
Vermilion	Hoopeston	104,622		
Wabash	Mt. Carmel	28,790	Aurora	\$ 98,953
Warren	Monmouth	44,654	Chicago	10,706,159**
Washington	Nashville	33,147	Evanston	137,175
Wayne	Fairfield	46,345		
White	Carmi	42,014		
Whiteside	Sterling	90,916		
Williamson	Herrin	107,878		
Winnebago	Rockford	253,766		
Woodford	Minonk	40,119		
City Housing Authorities		State grant		
Berwyn		\$ 101,642		
Bloomington		68,953		
Chicago		9,751,478*		
Cicero		135,754		
Danville		77,449		
Decatur		124,411		
East St. Louis				
Granite City		48,195		
Joliet		88,874		
Moline		73,602		
Oak Park		138,487		
Peoria		220,456		
Quincy		84,896		
Rockford				
Rock Island		89,734		

* plus fifteen million dollars (\$15,000,000) bond issue approved by the voters of the City of Chicago for Relocation Housing.

** plus fifteen million dollars (\$15,000,000) bond issue approved by the voters of the City of Chicago for slum clearance.

In addition to the funds mentioned above, the State Housing Board exercises administrative jurisdiction of the matching City of Chicago Slum Clearance Bond Issue in the amount of \$15 million which was given to the Chicago Land Clearance Commission and of the \$15 million matching Bond Issue for relocation housing which was given to the Chicago Housing Authority, making a total of approximately \$60 million over which the State Housing Board has administrative control.

In 1955 the 69th General Assembly amended the State Housing Act so that the State Housing Board was designated the official state planning agency in Illinois to assist communities of less than 25,000 population in planning. The State Housing Board also has the responsibility of preparing necessary housing and slum clearance legislation.

Housing and Redevelopment
Chapter 67½
Illinois Revised Statute, 1955, State Bar Association Edition
Sections 1 1 to 244 § 44

HOUSING AUTHORITIES
Act of March 19, 1934

1. Name of act.
2. Low cost housing, relief of the housing shortage, and slum-clearance declared essential to public interest.
3. Creation of housing authority—commissioners, appointment, terms, territorial jurisdiction.
4. Removal of commissioner.
5. Commissioner, employee not to be interested in project.
6. Organization of authority—assistants and employees.
7. Commissioner to receive no salary—expenses.
8. Authority to be municipal corporation—powers.
 - 8.1 Investigate living and housing conditions.
 - 8.2 Prepare, carry out and operate projects.
 - 8.3 Lease—rent—purchase—eminent domain.
 - 8.4 Borrow, lend or invest money.
 - 8.5 Sue and be sued—Possess a seal—perpetual succession—execute contracts—make or change by-laws.
- 8.6 Conduct investigations—hearings—subpoenas—subpoena duces tecum—provide for examination of witnesses without the state.
- 8.7 Attendance of witnesses—production of books and papers.
- 8.8 Who may conduct investigations and examinations.
- 8.9 Annual report.
- 8.10 Contents of report.
- 8.11 Report to a municipality.
9. Acquisition of real property.
10. Projects governed by laws of locality.
11. Financing undertakings—issuance of bonds—liability on bonds—not considered indebtedness.
12. Agreements with federal agencies.
13. Powers of state housing board over authorities.
14. Approval of state housing board required for projects.
- 15, 16. Repealed.
17. Terms defined.
18. Partial unconstitutionality.
19. Emergency.
20. Issuance of bonds—form—sale—execution—presumptions.
21. Powers in connection with issuance of bonds and incurring obligations.
22. Rights of bondholders and trustees.
23. Powers which may be conferred on bondholder or trustee.
24. Management and operation of housing projects.
25. Rentals and tenant selection.
 - 25.01 Oath or affirmation of tenant.
 - 25.02 Eviction of tenant failing to take oath.
26. Contracts may contain requirements as to minimum wages and maximum hours.
27. Agreements with Federal government.
 - 27a. Who may invest in bonds of housing authority.
 - 27b. Payment of service charges to taxing bodies.
 - 27c. Joint exercise of powers—operating outside area of population.
 - 27d. Emergency, certificate of—national defense.
 - 27e. Dissolution of authority.

HOUSING COOPERATION LAW
Act of July 13, 1937

28. Title of act.
29. Housing projects declared to be governmental function.
30. Definitions.

31. Powers of State public body.
32. Investment in bonds of housing authority.
 - 32a. Donations by State public body to housing authorities.
 - 32b. Agreements between municipal corporation and housing authority.
33. Changes in housing project.
34. Powers conferred to be additional.
35. Partial invalidity.

VALIDATING ACTS
Act of July 6, 1937

36. Creation of housing authorities validated.
37. Authorities to be corporate bodies.
- 38-50. Reserved for future legislation.

STATE CONTRIBUTION
Act of July 26, 1945

- 51, 52. Repealed.

HOUSING DEVELOPMENT AND CONSTRUCTION
Act of July 2, 1947

53. Legislative determination.
54. Housing authorities and Land Clearance Commissions may apply for grant of state funds—amount.
55. Statement of uses to accompany application—review of applications—approval.
 - 55a. Time for application—distribution of unallocated portion of appropriation.
56. Deposit of grants to Land Clearance Commissions—grants hereunder not conditioned upon matching of funds.
57. Purposes for which grants to housing authorities may be used—sale or lease of property—undertakings—acquisition of property in cities over 500,000.
58. Application of provisions of section 54 limiting amount of grant.
59. Annual reports by housing authorities and Land Clearance Commissions.
60. Reinvestment of funds arising from rental or sale.
61. Re-allocation upon change of boundaries.
 - 61a. Failure or refusal to initiate projects—recovery of state funds.
62. Repeal.

BLIGHTED AREAS REDEVELOPMENT ACT OF 1947

63. Short title.
64. Legislative finding and declaration.
65. Definitions.
66. Resolution determining need for Commission in municipality or county.
67. Land Clearance Commission—Appointment of members—qualifications—vacancies—commissions created under section 52.
68. Designation as Land Clearance Commission of municipality or county.
69. Removal of commissioners.
70. Interest by commissioner or employee in property or contract forbidden.

- § 71. Officers - by-laws - rules - quorum - assistants - compensation - insurance coverage for employees - premium payments.
- § 72. Compensation and expenses of commissioners.
- § 73. Commission to be municipal corporation - powers.
- § 74. Public hearings by Commission - compelling production of evidence - records of municipality.
- § 75. Determination that particular blighted area should be acquired - approval by State Housing Board and governing body.
- § 76. Acquisition of real property - condemnation proceedings.
- § 77. Contracts for removal of buildings - advertisement for bids - bond - insurance.
- § 78. Paving and improving streets - sidewalks - sewers and other facilities - bids - contract - bond.
- § 79. Streets and alleys - parks, playgrounds and schools - conveyances by commission - easements.
- § 80. Housing projects, conveyances by Commission to Housing Authority for - occupancy preferences.
- § 80a. Housing projects, conveyances by Commission in municipality of over 500,000 to Housing Authority for.
- § 81. Sale of real property within area of redevelopment project.
- § 81a. Preparation and approval of plan for development or redevelopment before conveyance - submission to State Housing Board and municipal governing body.
- § 82. Approval of sales by Land Clearance Commission - deeds.
- § 83. Grants in aid of redevelopment projects - application - amount to be matched by municipality.
- § 84. Unexpended part of grant to Housing Authority - use as additional allocation to Land Clearance Commission.
- § 85. Cooperation with Land Clearance Commission in matter of parks, playgrounds, water sewer or drainage facilities.
- § 86. Bonds of municipality - taxes to pay bonds - other funds - payments not matched by state funds - donations.
- § 87. Proceeds of sale of lands may be used in other blighted areas - completion of project - repayment of unexpended funds.
- § 87a. Dissolution of Land Clearance Commission - transfer of funds.
- § 88. Accounts - reports - information - investigation of conditions.
- § 88.1 Commission may issue bonds - no personal liability - negotiability - suit, actions or proceedings.
- § 88.2 Securing payment of bonds.
- § 88.3 Rights of bondholders.
- § 88.4 Who may invest in bonds.
- § 89. Operation and effect of Act.
- § 90. Liberal construction.
- § 91. Partial invalidity.

BLIGHTED VACANT AREAS DEVELOPMENT
ACT OF 1949
Act of Aug. 3, 1949

- § 91.1 Short title.
- § 91.2 Legislative finding and declaration.
- § 91.3 Definitions.
- § 91.4 Contract for development.
- § 91.5 Institution of eminent domain proceedings and vesting of title.
- § 91.6 Sale of land.
- § 91.7 Funds derived from sale.

CONSERVATION OF URBAN RESIDENTIAL AREAS
Act of July 3, 1953

- § 91.8 Name of act.
- § 91.9 Legislative finding and declaration.
- § 91.10 Definitions.
- § 91.11 Appointment, compensation, quorum and powers of the Conservation Board.
- § 91.12 Designation of conservation areas - preparation of plan - opinion by Plan Commission - approval by governing body.

- § 91.13 Real property necessary or appropriate for the conservation of urban residential areas - acquisition, use and disposition.
- § 91.13a Federal loans and grants.
- § 91.14 Making of repairs to bring properties up to minimum standards - placing of lien on improved property.
- § 91.14a Cooperation with Conservation Boards.
- § 91.15 Inconsistent provisions.
- § 91.16 Partial unconstitutionality.

REHOUSING OF PERSONS IN REDEVELOPMENT
PROJECT AREAS

- § 92. Rehousing residents of redevelopment project areas - State to contribute.
- § 93. Application for grant to aid in rehousing - approval - payment - disposition.
- § 94. Standards - cost - rentals - preferences.
- § 95. Bonds of municipality - taxes to pay bonds - sinking fund - referendum - other funds - matching of funds not required - donations.

HOUSING FACILITIES FOR STATE EMPLOYEES
Act of Aug. 4, 1949

- § 96. State employees housing commission.
- § 97. Powers of State employees housing commission - bonds.
- § 98. Resolution - required covenants.
- § 99. Charges for use of housing facilities.
- § 100. The State Employees Housing Fund - separate account for each bond issue - disbursements.
- § 101. Contract with bond holders, what constitutes - remedies for enforcement - adjustment of charges.
- § 102. Exemption from taxation.

RELOCATION OF HOUSES
Act of Aug. 3, 1949

- § 103. Declaration of necessity.
- § 104. Relocation of houses on property condemned for highways - acquisition for real property therefor.
- § 105. Agreements for work and material.
- § 106. Sale of property after relocation.
- § 107-150. Reserved for future legislation.

STATE HOUSING ACT
Act of July 12, 1933

- § 151. Title of act.
- § 152. Necessity and purpose of act.
- § 153. Housing corporations authorized - dividends to stockholders limited.
- § 154. Statement of incorporation.
- § 155. Approval of state housing board - filing - issuance of certificate of incorporation.
- § 156. Rights, powers and privileges.
- § 157. Acts prohibited.
- § 158. Name.
- § 159. Issuance of additional stock.
- § 160. Increase or decrease of capital stock.
- § 161. Amendment of articles of incorporation.
- § 162. Merger - consolidation - reorganization.
- § 163. Dissolution.
- § 164. Limitation on dividends.
- § 165. Fee for incorporation.
- § 166. Application of Business Corporation Act.
- § 167. State housing board.
- § 168. Repealed.
- § 169. Secretary - necessary agents and employees - travel and other expenses.
- § 170. Seal.
- § 171. Powers.

- 172. Investigations - hearings.
- 173. Testimony of witnesses.
- 174. Subpoenas - refusal to testify.
- 175. Consolidation - operation of more than one project.
- 176. Acquisition of property and construction of buildings - approval by state housing board - plans and specifications - hearing on projects - notice - limitation on exercise of power - alteration or modification of order - judicial confirmation of approval - appeal.
- 177. Additional duties of board.
- 178. Mandamus or injunction by board against housing corporation.
- 179. Review of decisions of board.
- 180. Schedule of maximum rents - hearing - notice - charges on which rents to be based - reserve fund for purchase of securities or obligations held by tenants.
- 181. Increase of rentals beyond maximum schedule - hearing - notice - filing and service of order.
- 182. Review of decision affecting rentals.
- 183. Appeal to supreme court.
- 184. Priority for proceedings.
- 185. Excess of gross receipts.
- 186. Renting at greater rate prohibited.
- 187. Use of land to conform to zoning ordinance.
- 188. Eminent domain.
- 189. Fees for examinations and inspections.
- 190. Terms defined.
- 191. Partial invalidity.
- 192. Additional powers and duties of State Housing Board.
- 193. Removal of commissioner for incompetency, neglect or malfeasance.
- 194. Additional powers of State housing board.
- 195. Supervision over housing authorities.
- 196. Approval by State housing board before property acquired or construction undertaken.
- 197. Repealed.
- 198-250. Reserved for future legislation.

NEIGHBORHOOD REDEVELOPMENT
CORPORATION LAW
Act of July 9, 1941

- 251. Title of act.
- 252. Necessity and purpose of act and declaration of public policy and public use.
- 253. Meaning of terms.
- 253-1 "Development" defined.
- 253-2 "Development Area" defined.
- 253-3 "Development Cost" defined.
- 253-4 "Development Plan" defined.
- 253-5 "Mortgage" defined.
- 253-6 "Neighborhood Redevelopment Corporation" defined.
- 253-7 "Plan Commission" defined.
- 253-8 "Real Property" defined.
- 253-9 "Redevelopment" defined.
- 253-10 "Redevelopment Commission" defined.
- 253-11 "Slum and Blight Areas" defined.
- 253-12 "Conservation Area."
- 254. Creation and establishment of Redevelopment Commissions.
- 255. Rules and regulations, seal and authentication of records, etc.
- 256. Neighborhood redevelopment corporations authorized - supervision by Redevelopment Commission.
- 257. Statement of incorporation.
- 258. Filing - issuance of certificate of incorporation.
- 259. Powers of neighborhood redevelopment corporations.
- 260. Acts prohibited.
- 261. Name.
- 262. Certificates of compliance.
- 263. Dissolution.
- 264. Fees, franchise taxes and charges to be collected by Secretary of State.

- 265. Taxation of neighborhood redevelopment corporations.
- 266. Application of Business Corporation Act.
- 267. Acquisition of property and construction subject to approval - application for and issuance of certificates of convenience and necessity.
- 268. Public hearing upon development plan - issuance of certificate of convenience and necessity.
- 269. Repealed.
- 270. Extension of time for initiation and completion of development.
- 271. Statement of development area - filing with Secretary of State.
- 272. Preference in issuance of certificates of convenience and necessity.
- 273. Amendments to development plans.
- 274. Limitation of development area.
- 275. Duties of Redevelopment Commission.
- 276. Termination of control.
- 277. Investigations, inquiries and hearings.
- 278. Testimony - immunity.
- 279. Subpoenas - service - fees - deposit - production of books and papers - compelling attendance or production - deposition.
- 280. Repealed.
- 280-1 Review under Administrative Review Act.
- 281. Repealed.
- 282. City attorney to represent Redevelopment Commission on appeals.
- 283. Suspension of order of Redevelopment Commission pending appeal or judicial review.
- 284. Mandamus or injunction by a Redevelopment Commission against neighborhood of redevelopment corporation.
- 285. Review of orders in mandamus or injunction.
- 286. Use of land to conform to zoning ordinances, etc.
- 287. Determination of development cost.
- 288. Supervision of issuance of stock and mortgages.
- 289. Limitation upon issuance of stock and mortgages.
- 290. Stocks and mortgages unlawfully issued.
- 291. Who may invest in mortgages of neighborhood redevelopment corporations.
- 292. Proceedings to condemn real property.
- 293. Fees of Redevelopment Commission for examinations, hearings, supervisions and inspections.
- 294. Partial invalidity.

HOUSING AUTHORITIES

AN ACT in relation to housing authorities. (Approved March 19, 1934. L. 1933-34, Third Sp. Sess., p. 159.)

Be it enacted by the People of the State of Illinois, represented in the General Assembly:

1. Name of act.) § 1. This Act shall be known as the "Housing Authorities Act."

This Act is not violative of Const. art. 4 §1, as delegating to local housing authorities nondelegable legislative functions. *Krause v. Peoria Housing Authority*, 370-356, 19N.E.2d 193.

2. § 2. Low cost housing, relief of the housing shortage, and slum-clearance declared essential to public interest.) It is hereby declared as a matter of legislative determination that in order to promote and protect the health, safety, morals and welfare of the public, it is necessary in the public interest to provide for the creation of municipal corporations to be known as housing authorities, and to confer upon and vest in said housing authorities all powers necessary or appropriate in order that they may engage in low-rent housing and slum clearance projects, and undertake such land assembly, clearance, rehabilitation, development, and redevelopment projects as will tend to relieve the shortage of decent, safe, and sanitary dwellings; and that the powers herein conferred upon the housing authorities including the power to acquire and dispose of improved or unimproved

property, to remove unsanitary or substandard conditions, to construct and operate housing accommodations, to regulate the maintenance of housing projects and to borrow, expend, loan, invest, and repay monies for the purposes herein set forth, are public objects and governmental functions essential to the public interest.

It is further declared as a matter of legislative determination that the crucial housing shortage which prevails throughout the State has contributed and will continue to contribute materially toward an increase in crime, juvenile delinquency, infant mortality, and disease; that by reason thereof it has become a social and economic imperative to broaden the powers of housing authorities with respect to the acquisition of property, the construction of housing accommodations, and the assembly, clearance and sale or other disposition of property acquired for development or redevelopment by persons, firms and corporations; that the provisions of this Act¹ are grounded in public necessity and predicated upon serious emergency conditions requiring immediate consideration and action, and that this amendatory Act embraces public objects and governmental functions essential to the public interest. As amended by act approved Aug. 3, 1949. L. 1949, p. 1013.

¹ Section 1 et seq. of this chapter.

3. Creation of housing authority—Commissioners, appointment, terms, territorial jurisdiction.) § 3. The governing body of any city, village or incorporated town having more than 25,000 inhabitants, or of any county of this State, may, by resolution, determine that there is need for a housing authority in such city, village, incorporated town or county. Upon adoption, such resolution shall be forwarded to the State Housing Board together with a statement of reasons or findings supporting such resolution. The State Housing Board shall thereupon issue a certificate to the presiding officer of such city, village, incorporated town or county for the creation of such authority if it shall find (a) that unsanitary or unsafe inhabited dwelling accommodations exist in such city, village, incorporated town or county, or (b) that there is a shortage of safe or sanitary dwelling accommodations in such city, village, incorporated town or county available to persons who lack the amount of income which is necessary (as determined by said Board) to enable them without financial assistance to live in decent, safe and sanitary dwellings without over-crowding. In determining whether dwelling accommodations are unsafe or unsanitary the State Housing Board may take into consideration the degree of over-crowding, the percentage of land coverage, the light, air, space and access available to the inhabitants of such dwelling accommodations, the size and arrangement of the rooms, the sanitary facilities and the extent to which conditions exist in such buildings which endanger life or property by fire or other causes. The State Housing Board shall also have authority upon its own initiative or upon petition of not less than one per cent of the qualified voters of such city, village, incorporated town or county to make a finding as above provided and to issue a certificate for the creation of such an Authority.

As soon as possible after the issuance of a certificate by the State Housing Board the presiding officer of such city, village, incorporated town or county shall appoint, with the approval of the State Housing Board, five commissioners with initial terms of 1, 2, 3, 4 and 5 years. Upon the approval by the State Housing Board of such appointments, the State Housing Board shall cause a certificate of such appointments and of its approval thereof to be filed in the office in which deeds of property in the area of operation are recorded, and upon such filing the persons so appointed and approved shall be fully constituted an Authority.

At the expiration of the term of each such commissioner, and of each succeeding commissioner, or in the event of a vacancy, the presiding officer shall appoint a commissioner, subject to the approval of the State Housing Board as aforesaid, to hold office, in the case of a vacancy for the unexpired term, or in the case of expiration for a term of five years, or until his successor shall have been appointed and qualified. Each such appointment shall be effective upon the filing by the State Housing Board of a certificate of appointment and of its approval thereof as hereinbefore provided.

In case a county is the area of operation of an Authority, such area shall not be deemed to include any city, village, or incorporated town within such county within which an Authority at that time exists. If thereafter an Authority is organized with respect to any city, village, or incorporated town within the county, the county Authority shall have no power to initiate any further project within such city, village, or incorporated town and the Authority so created shall take over all property and obligations within such city, village or incorporated town of the county Authority previously including it or them within its area of operation and such county Authority shall have no further jurisdiction over property within the territory of such city, village or incorporated town.

Every commissioner shall be a resident of the area of operation of the Authority; provided, that in respect to an Authority created for a county, residence in any city, village or incorporated town within such county shall not be a disqualification for appointment as a Commissioner for such county Authority notwithstanding that such city, village or incorporated town may be excluded from the area of operation of such Authority. Any public officer shall be eligible to serve as a commissioner, and the acceptance of appointment as such shall not terminate nor impair his public office, the provision of any statute to the contrary notwithstanding; but no member of the State Housing Board shall be eligible to serve as a commissioner, nor shall more than two public officers be commissioners of the same Authority at one time; Provided, that membership on any Authority at the same time of more than two public officers shall not affect or impair the validity of any Act undertaken or power exercised by the Authority pursuant to Law. The term "public officer" as herein used means a person holding a state or local governmental office required to be filled by the vote of electors, and for which provision is made by law for the payment of annual compensation from public funds.

In the same manner as is above provided, a Housing Authority may be created for two or more, but not more than five counties, which together constitute a contiguous and compact territory, if such an Authority has not been created for any one of such counties, and if the State Housing Board finds that they have a common problem of unsanitary or unsafe dwellings or of shortage of safe or sanitary dwelling accommodations. As above provided, a certificate for the creation of such an Authority may be issued upon resolution of the governing bodies of the several counties; upon petition from each county, or upon the initiative of the State Housing Board. If such an Authority is created for five counties, each county shall have one commissioner; if for four counties, the one with the largest population shall have two commissioners, and each other county one commissioner; if for three counties, the two counties of largest population shall each have two commissioners, and the other county one commissioner; and, if for two counties, the county of larger population shall have three commissioners and the other county two commissioners.

Upon the issuance of a certificate by the State Housing Board, the presiding officer of each county shall appoint, with the approval of the State Housing Board, the number of commissioners to be appointed from such county, each with an initial term of five years, and with subsequent appointments in the manner provided above.

Except as otherwise provided, all provisions of this Act¹ shall apply to a Housing Authority established for more than one county, and, unless the context shall otherwise indicate, the word county shall be construed also to mean counties. Such an Authority may subsequently be established separately for any one or more of such counties, by compliance with the terms of this Act, and, if such an Authority is established, it shall take over all property and obligations, within such county or counties, of the Authority previously including it or them within its area of operation, and such Authority shall have no further jurisdiction within the territory of such county or counties, but nothing herein shall affect the power of a Housing Authority to operate outside its area of operation, as provided by Section 30 of this Act.² Subsection (b) of Section 17³ shall apply to a Housing Authority created under the provisions of this section. In all cases in which

a Housing Authority embraces the territory of more than one county, each county shall have, within its territory, the powers conferred by Section 29 of this Act,⁴ and by the Housing Cooperation Act, filed July 13, 1937, as amended.⁵

A Housing Authority created under the terms of this section shall be designated as the Housing Authority of the city, village, incorporated town, county, or of the several counties within its area of operation. As amended by act approved July 13, 1953. L. 1953, p. 1250.

1 Section 1 et seq. of this chapter.

2 Section 27c of this chapter.

3 Section 17 of this chapter.

4 Section 27b of this chapter.

5 Section 28 et seq. of this chapter.

4. Removal of commissioner.) § 4. Whenever it shall appear to the State Housing Board that a commissioner is incompetent or guilty of neglect of duty or malfeasance, the State Housing Board shall require such commissioner to appear before it to show cause why he should not be removed from office. At least fifteen days' written notice of such a hearing shall be given to the commissioner whose conduct is in question and to all other members of the Authority. At the hearing the commissioner may be represented by counsel and may appear personally and present such pertinent evidence as he wishes or as the State Housing Board may request.

If after a hearing the State Housing Board determines that a commissioner has been incompetent or has been guilty of neglect of duty or malfeasance, it shall remove such commissioner from the Authority within seven days, and there shall thereupon be deemed to be a vacancy of such office.

5. Commissioner, employee not to be interested in project.)

§ 5. No commissioner or employee of an Authority shall acquire any interest direct or indirect in any project or in any property included or planned to be included in any project, nor shall he have any interest direct or indirect in any contract or proposed contract for materials or services to be furnished or used in connection with any project. If any commissioner or employee of any Authority owns or controls an interest direct or indirect in any property included in any project, which was acquired prior to his appointment or employment, he shall disclose the same in writing to the Authority and such disclosure shall be entered upon the minutes of the Authority.

6. Organization of authority - Assistants and employees.)

§ 6. As soon as possible after the creation of an Authority the commissioners shall organize for the transaction of business by choosing from among their number a chairman and a vice-chairman and by adopting by-laws and rules and regulations suitable to the purposes of this Act. Three commissioners shall constitute a quorum for the transaction of the business thereof. The commissioners shall, from time to time, select and appoint such officers and employees, including engineering, architectural and legal assistants, as they may require for the performance of their duties, and shall prescribe the duties and compensation of each officer and employee.

7. Commissioner to receive no salary - Expenses.)

§ 7. No commissioner shall receive any compensation, whether in form of salary, per diem allowances or otherwise, for or in connection with his services as such commissioner. Each commissioner shall, however, be entitled to reimbursement out of funds available therefor, for any necessary expenditures in connection with the performance of his general duties or in connection with the construction or operation of any project. The Authority may allocate such expenses among its projects in such manner as it may consider proper.

8. Authority to be municipal corporation - Powers.)

§ 8. An Authority shall be a municipal corporation and shall constitute a body both corporate and politic, exercising public and essential governmental functions, and having all the powers necessary or

convenient to carry out and effectuate the purposes and provisions of this Act,¹ including, in addition to others herein granted, the powers enumerated in Sections 8.1 through 8.8, inclusive.² As amended by act approved July 13, 1955. L. 1955, p. —, S.B. No. 459.

1 Section 1 et seq. of this chapter.

2 Sections 8.1-8.8 of this chapter.

8.1 Investigate living and housing conditions.) § 8.1 An Authority has power to investigate into living and housing conditions, housing needs and markets in its area of operation and into the means and methods of improving such conditions and meeting such needs through private and public means; to determine where unsanitary or substandard housing conditions exist; to ascertain which dwellings in its area of operation do not meet such standards as it may determine are necessary for safe and sanitary dwelling accommodations and to report its findings to the appropriate government in the territory in which such dwellings are located; to study and make recommendations concerning the plan of the area of operation in relation to the problems of acquisition, clearing, replanning, and reconstruction of areas in which unsanitary or substandard conditions exist or which are needed for increasing the supply of decent, safe and sanitary dwellings and for related community development, and the providing of housing accommodations for persons of low income, and to cooperate with any regional or State planning agencies or the planning agency of any city, village or incorporated town wholly or partly within its area of operation. Added by act approved July 13, 1955. L. 1955, p. —, S.B. No. 459.

8.2 Prepare, carry out and operate projects.) § 8.2 An Authority has power to prepare, carry out and operate projects; to provide for the construction, reconstruction, improvement, alteration or repair of any project or any part thereof; to take over by purchase, lease, or otherwise any project undertaken by any government; to act as agent for the Federal government in connection with the acquisition, construction, operation, or management of a project or any part thereof; to arrange with any government within the area of operation for the furnishing, planning, replanning, opening or closing of streets, roads, roadways, alleys, parks, or other places of public facilities or for the acquisition by any government or any agency, instrumentality or subdivision thereof, of property, options or property rights or for the furnishing of property or services in connection with a project; to function as an agency of the city, village, incorporated town or county for which it is constituted an Authority and to act as an agent (when so designated) for any government, with respect to matters relating to housing and the purposes of this Act, including action for the elimination of unsafe and unsanitary dwellings, the clearing and redevelopment of blighted or slum areas, the assembly of improved and unimproved land for development of redevelopment purposes, the conservation and rehabilitation of existing housing, and the provision of decent, safe and sanitary housing accommodations, and to utilize any and all of its powers to assist such governments in any manner which will tend to further the objectives of this Act; to assist through the exercise of the powers herein conferred any individual, association, corporation or organization which presents a plan for developing or redeveloping any property within the area of operation of the Authority which will tend to provide decent, safe and sanitary housing, or promote other uses essential to sound community growth. Added by act approved July 13, 1955. L. 1955, p. —, S.B. No. 459.

8.3 Lease - Rent - Purchase - Eminent domain.) § 8.3 An Authority has power to lease or rent any of the housing or other accommodations or any of the lands, buildings, structures, or facilities embraced in any project and to establish and revise the rents or charges therefor; to purchase, lease, obtain options upon, acquire by eminent domain or otherwise, sell, exchange, transfer or assign, any property, real or personal, or any interest therein; to acquire any property, real or personal, or any interest therein from any firm, corporation or any municipal, State or

Federal government or any agency, instrumentality or subdivision thereof by gift, grant, bequest, or devise; to own, hold, clear and improve property; in its discretion to insure or provide for the insurance of the property or operations of the Authority against such risks as the Authority may deem advisable. Added by act approved July 13, 1955. L. 1955, p. —, S.B. No. 459.

8.4 Borrow, lend or invest money.) § 8.4. An Authority has power to borrow money upon its bonds, notes, debentures, or other evidences of indebtedness and to secure the same by pledges of its revenues, or in any other manner, and in connection with any loan by a government, to agree to limitations upon the exercise of any powers conferred upon the Authority by this Act; to invest any funds held in reserves or sinking funds, or in any funds not required for immediate disbursement in State or Federal securities; to make grants, loans, and advances on such terms as the Authority shall determine, subject to the approval of the State Housing Board, to any non-profit corporation referred to in Section 9¹ in order to assist such non-profit corporation in planning, preparing, constructing, reconstructing or improving housing to provide an additional supply of decent, safe and sanitary dwellings. Added by act approved July 13, 1955. L. 1955, p. —, S.B. No. 459.

¹ Section 9 of this chapter.

8.5 Sue and be sued—Possess a seal—Perpetual succession—Execute contracts—Make or change by-laws.) § 8.5. An Authority has power to sue and be sued; to have a seal and to alter the same at pleasure; to have perpetual succession; to make and execute contracts and other instruments necessary or convenient to the exercise of the powers of the Authority; to make and from time to time amend and repeal by-laws, rules and regulations not inconsistent with this Act, to carry into effect the powers and purposes of the Authority. Added by act approved July 13, 1955. L. 1955, p. —, S.B. No. 459.

8.6 Conduct investigations—Hearings—Subpoenas—Subpoena duces tecum—Provide for examination of witnesses without the state.) § 8.6. An Authority has power to enter upon any building or property in order to conduct investigations and to hear testimony and take proof under oath at public or private hearings on any matter material for its information; to issue subpoenas requiring the attendance of witnesses or the production of books and papers and to issue commissions for the examination of witnesses who are out of the State or unable to attend before the Authority, or excused from attendance; and to do all things necessary or convenient to carry out the powers given in this Act. Added by act approved July 13, 1955. L. 1955, p. —, S.B. No. 459.

8.7 Attendance of witnesses—Production of books and papers.) § 8.7. In connection with any examination or investigation conducted by an Authority, the provisions of Section 23 of the State Housing Act¹ shall apply and the Authority shall have the same powers to apply to the Circuit Court of the county within which lies the area of operation to compel the attendance of witnesses or the production of books and papers as conferred on the State Housing Board by Section 24 of the State Housing Act,² and in the manner therein provided. Added by act approved July 13, 1955. L. 1955, p. —, S.B. No. 459.

¹ Section 173 of this chapter.

² Section 174 of this chapter.

8.8 Who may conduct investigations and examinations.) § 8.8. Any of the investigations or examinations provided for in this Act may be conducted by the Authority or by a committee appointed by it, consisting of one or more commissioners, or by counsel, or by an officer or employee specially authorized by the Authority to conduct it. An Authority may exercise any or all of the powers herein conferred upon it, either generally or with respect to any specific project or projects, through or by any agent or agents which it may designate. Added by act approved July 13, 1955. L. 1955, p. —, S.B. No. 459.

8.9 Annual report.) § 8.9. Every Housing Authority organized under the provisions of this Act shall make an annual report to the presiding officer and legislative authorities of the city, village, incorporated town or county for which said Authority was created, which report shall state the result of any investigations made by it with respect to housing conditions in its area of operations, making recommendations with respect to the remedying of unsafe and unsanitary housing conditions, or any shortage of adequate housing for persons of low income, and shall also summarize its operations and activities for the preceding year. Added by act approved July 13, 1955. L. 1955, p. —, S.B. No. 459.

8.10 Contents of report.) § 8.10. As a part of its annual report, every Housing Authority shall present statements setting forth for each project of the Housing Authority a balance sheet, a classified statement of revenues and expenditures and of receipts and disbursements and a surplus statement, and also a consolidated balance sheet and consolidated classified statements of revenues and expenditures, and of receipts and disbursements and a surplus statement reflecting the financial status and condition of the Housing Authority as a whole as of the close of the immediately preceding fiscal year. Such report for the Housing Authority in any municipality containing over 500,000 inhabitants shall also include a separate statement setting out in detail the exact amount of rent received for each individual housing accommodation and the amount of money expended on each housing project as that term is defined in Section 17(g) of this Act¹ under the jurisdiction of the Housing Authority and shall also include a complete schedule of salaries in effect on the date of the report and to whom such salaries are paid. Such report for Housing Authorities other than those in municipalities containing over 500,000 inhabitants shall include a separate statement setting out in detail the exact amount of rent received for, and the amount of money expended on, each housing project as that term is defined in Section 17(g) of this Act under the jurisdiction of the Housing Authority and shall also include a complete schedule of the salaries in effect on the date of the report and to whom such salaries are being paid. All such statements shall be made separately for bond interest and retirement, capital and operating accounts. The annual report of every Housing Authority shall also include the amount or amounts of service charge or charges paid or proffered to the County Collector or to the appropriate officer or officers, of any municipal corporation in lieu of normal real estate taxes, identified to show the year or years and project or projects for which payment was made or proffered. Added by act approved July 13, 1955. L. 1955, p. —, S.B. No. 459.

¹ Section 17 of this chapter.

8.11 Report to a municipality.) § 8.11. The Housing Authority in any municipality containing over 500,000 inhabitants shall submit the statements herein required to the City Council of such municipality (which shall be entered in the Journal of Proceedings of the City Council) not later than three months following the close of the preceding fiscal year of the Authority. In municipalities containing over 500,000 inhabitants the annual budget of the Housing Authority shall be presented to the City Council before becoming effective. Added by act approved July 13, 1955. L. 1955, p. —, S.B. No. 459.

¹ Ill. Rev. Stat. '55-138

9. Acquisition of property.) § 9. Whenever it shall be deemed necessary by an Authority in connection with the exercise of its powers herein conferred to take or acquire the fee of any real property in the area of operation or any interest therein or right with respect thereto, such Authority may acquire the same directly or through its agent or agents from the owner or owners thereof or may acquire the same by the exercise of eminent domain in the manner provided by an Act entitled "An Act to provide for the exercise of the right of eminent domain," approved April 10, 1872, as amended.¹

New Section 8.10. § 8.10 to be inserted p. 6 of copy of Illinois Housing Law (Green Book), Chap. 67 1/2 Ill. Rev. Stat.

8.10 Contents of report.) § 8.10 As a part of its annual report, every Housing Authority shall present statements setting forth for each project of the Housing Authority a balance sheet, a classified statement of revenues and expenditures and of receipts and disbursements and a surplus statement, and also a consolidated balance sheet and consolidated classified statements of revenues and expenditures, and of receipts and disbursements and a surplus statement reflecting the financial status and condition of the Housing Authority as a whole as of the close of the immediately preceding fiscal year. All such statements shall be made separately for bond interest and retirement, capital and operating accounts. Such report for the Housing Authority in any municipality containing over 500,000 inhabitants shall also include a separate statement setting out the total amount of rent received for, and the amount of money expended on, each housing project as that term is defined in Section 17 (g) of this Act under the jurisdiction of the Housing Authority and shall also include a complete schedule of salaries in effect on the date of the report and to whom such salaries are paid. Such report for Housing Authorities other than those in municipalities containing over 500,000 inhabitants shall include a separate statement setting out in detail the exact amount of rent received for, and the amount of money expended on, each housing project as that term is defined in Section 17 (g) of this Act under the jurisdiction of the Housing Authority and shall also include a complete schedule of the salaries in effect on the date of the report and to whom such salaries are being paid. All such statements shall be made separately for bond interest and retirement, capital and operating accounts. The annual report of every Housing Authority shall also include the amount or amounts of service charge or charges paid or proffered to the County Collector or to the appropriate officer or officers, of any municipal corporation in lieu of normal real estate taxes, identified to show the year or years and project or projects for which payment was made or proffered.

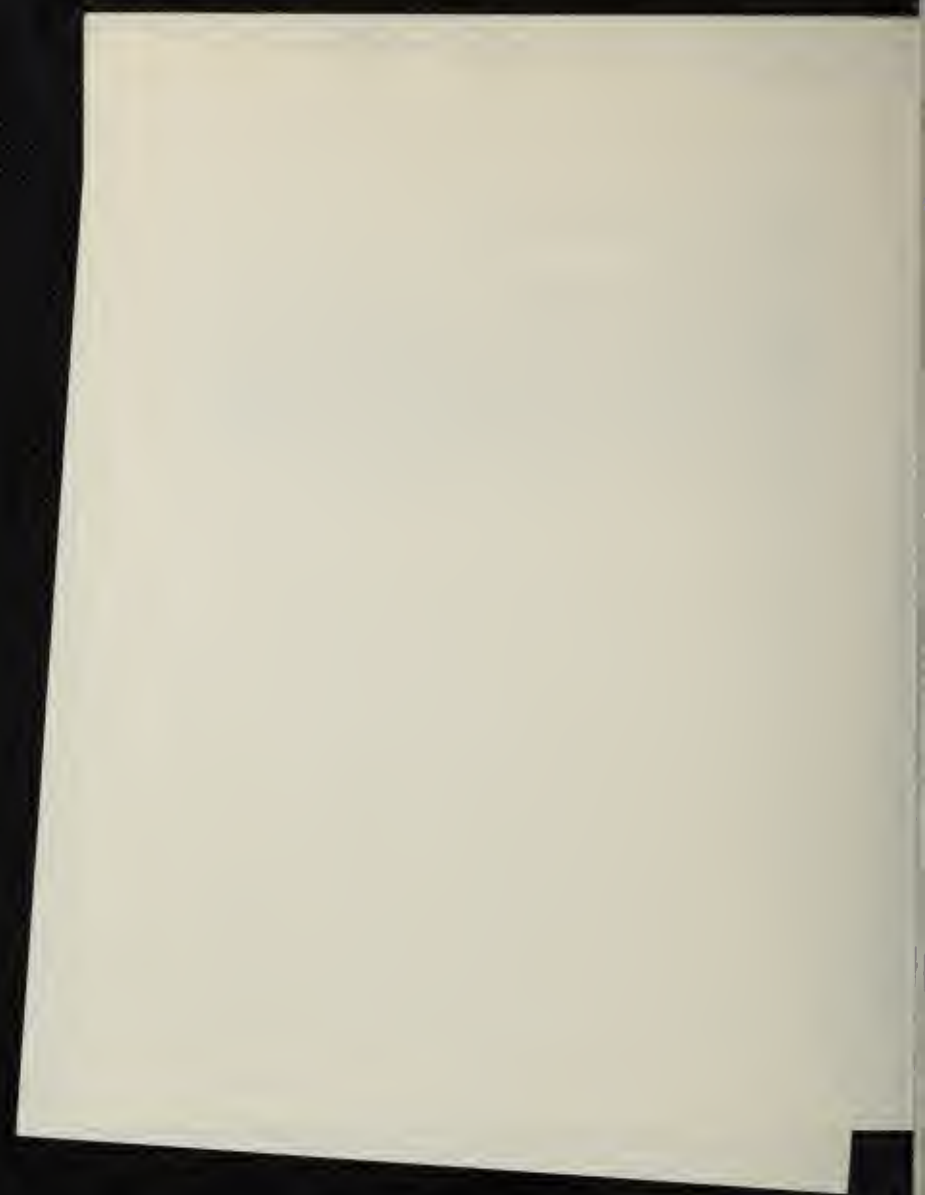
In addition to all other information required herein, the Housing Authority in any municipality containing over 500,000 inhabitants shall prepare and maintain a summary tabulation for each project for the period covered by the annual report showing the number of and size of individual housing accommodations; the number of units occupied by families in the various income groups; the total number of persons; the age group of the head of the household of move-ins; the number of persons comprising the household; the rent schedules for determining admission of families to public housing; the number of move-ins with the size of family; income groups of families moving in; size of unit occupied by families moving in or out; and information as to family composition; and information as to number of families receiving public assistance or social security benefits. All such information shall be a matter of public record and shall be made available by the Housing Authority, on request, at any reasonable time without fee or reward. As amended by act approved July 23, 1959. L.1959, p. S.B.No. 711.

Section 17 (g) of this chapter.



Insert on Page 6 of the Illinois Housing Laws (Green Book)
prepared by the State Housing Board.

8.12 Destruction of records.) § 8.12 In addition to the powers conferred by other provisions in this Act, a Housing Authority in any municipality containing over 500,000 inhabitants shall have the power to destroy or otherwise dispose of its obsolete records, reports, books and documents pursuant to such rules or standards which the federal government or any agency or instrumentality thereof may promulgate, in connection with any project financed in whole or in part by the federal government or any agency or instrumentality thereof. Added by act approved July 5, 1957. L.1957, p.____, S.B.No.453.



If any of such property is devoted to a public use it may nevertheless be acquired, provided that no property belonging to a government may be acquired without its consent and that no property belonging to a corporation subject to the jurisdiction of the Illinois Commerce Commission may be acquired without the approval of the Illinois Commerce Commission.

The power of eminent domain shall apply not only to improved or unimproved property which may be acquired for or as an incident to the development or operation of a project or projects, but also to: (a) any improved or unimproved property the acquisition of which is necessary or appropriate for the rehabilitation or redevelopment of any blighted or slum area, or, (b) any improved or unimproved property which the Authority may require to carry out the provisions of this Act.² Such power may be exercised by the Housing Authority on its own initiative or as an agent of the city, village, incorporated town, county or counties, or any government, or for the purpose of sale or lease to: (a) a housing corporation operating under "An Act in relation to housing," approved July 12, 1933, as amended;³ (b) neighborhood redevelopment corporations operating under the "Neighborhood Redevelopment Corporation Law," approved July 9, 1941, as amended;⁴ (c) insurance companies operating under Section 125 of the "Illinois Insurance Code," approved June 29, 1937, as amended;⁵ (d) non-profit corporations organized for the purpose of constructing, managing and operating housing projects and for the improvement of housing conditions, including the rental or sale of housing units to persons in need thereof; or to any other individual, association or corporation desiring to engage in a development or redevelopment project. No sale or lease shall be made hereunder to any of the aforesaid corporations, associations or individuals unless a plan has been approved by the Authority and the State Housing Board for the development or redevelopment of such property and unless the purchaser or lessee furnishes the Authority a bond, with satisfactory sureties, in an amount not less than ten per centum (10%) of the cost of such development or redevelopment, conditioned on the completion of such development or redevelopment in accordance with the approved plan; provided that the requirement of the bond may be waived by the State Housing Board if it is satisfied of the financial ability of the purchaser or lessee to complete such development or redevelopment in accordance with the approved plan. To further assure that the real property so sold or leased shall be used in accordance with the plan, the State Housing Board may require the purchaser or lessee to execute in writing such undertakings as the Board deems necessary to obligate such purchaser or lessee (1) to use the property for the purposes presented in plans; (2) to commence and complete the building of the improvements designated in the plan within the periods of time that the State Housing Board fixes as reasonable; and (3) to comply with such other conditions as are necessary to carry out the purpose of this Act. Any such property may be sold pursuant to this section for any legal consideration in an amount to be approved by the State Housing Board.

If the area of operation of a housing authority includes a city, village or incorporated town having a population in excess of 500,000 as determined by the last preceding Federal census, no real property or interest in real property shall be acquired in such municipality by the housing authority until such time as the housing authority has advised the governing body of such municipality of the description of the real property, or interest therein, proposed to be acquired, and the governing body of the municipality has approved the acquisition thereof by the housing authority.

A "blighted or slum area" means any area of not less, in the aggregate, than one (1) acre, excepting that in any municipality having a population in excess of 500,000, as determined by the last preceding Federal census, a "blighted or slum area" means any area of not less in the aggregate of two (2) acres which area, in either case, has been designated by municipal ordinance or by the Authority as an integrated project for rehabilitation, development or redevelopment, where (a) buildings or improvements, by reason of dilapidation, obsolescence, overcrowding, faulty arrangement or design, lack of ventilation, light or sanitary facil-

ities, excessive land coverage, deleterious land use or layout or any combination of these factors, are a detriment to public safety, health or morals, or welfare, or (b) there exists platted land which is predominantly open and which, because of obsolete platting, diversity of ownership, deterioration of structures or of site improvements, or otherwise substantially impairs or arrests the sound growth of the community and which is to be developed for predominantly residential uses, or (c) there exists open unplatted land necessary for sound community growth which is to be developed for predominantly residential uses, or (d) parcels of land remain undeveloped because of improper platting, delinquent taxes or special assessments, scattered or uncertain ownerships, clouds on title, artificial values due to excessive utility costs, or any other impediment to the use of such area for predominantly residential uses; provided, that if in any city, village or incorporated town there exists a land clearance commission, created under the "Blighted Areas Redevelopment Act of 1947,"⁶ having the same area of operation as a housing authority created in and for any such municipality, such housing authority shall have no power to acquire land of the character described in subparagraphs (b), (c) or (d) of the definition of "blighted or slum area" in this paragraph for the purpose of development or redevelopment by private enterprise.

The Housing Authority shall have power to hold or use any such property for uses authorized by this Act, or to sell, lease or exchange such property as is not required for such uses by the Authority. In case of sale or lease to other than a public corporation or public agency, notice shall be given and bids shall be received in the manner provided by Section 59-2 of the Revised Cities and Villages Act, approved August 15, 1941, as amended,⁷ and bids may be accepted by vote of three of the five Commissioners of the Authority; provided, however, that such requirement of notice and bidding shall not apply to a sale or lease to any individual, association or corporation described in the preceding paragraph; nor to a sale or lease of an individual dwelling unit in a project, to be used by the purchaser as a dwelling for his family; nor to a sale or lease of a project or part thereof to an association to be so used by its members. In case of exchange of property for property privately owned, three disinterested appraisers shall be appointed to appraise the value of the property to be exchanged, and such exchange shall not be made unless the property to be received by the Authority is equal or greater in value than the property to be exchanged therefor, or if less than such value, that the difference shall be paid in money. As amended by act approved June 30, 1955. L.1955, p. —, S.B.No. 402.

1 Chapter 47, § 1-16.

2 Section 1 et seq. of this chapter.

3 Chapter 32, § 504 et seq.

4 Chapter 32, § 550.1 et seq.

5 Chapter 73, § 613 et seq.

6 Section 63 et seq. of this chapter.

7 Chapter 24, § 59-2.

10. Projects governed by laws of locality.) § 10. All projects of an Authority shall be subject to the planning, zoning, sanitary and building laws, ordinances and regulations applicable to the locality in which the project is to be situated.

11. Financing undertakings—Issuance of bonds—Liability on bonds—Not considered indebtedness.) § 11. An Authority shall have power to issue bonds from time to time in its discretion to finance in whole or in part the cost of acquisition, purchase, construction, reconstruction, improvement, alteration, extension or repair of any project or undertaking hereunder. An Authority shall also have power to issue refunding bonds for the purpose of paying or retiring bonds previously issued by it. An Authority may issue such types of bonds as it may determine by resolution, including bonds on which the principal and interest are payable; (a) exclusively from the income and revenues of the housing project financed with the proceeds of such bonds, or with such proceeds together with a grant from the Federal Government or any political subdivision of the State in aid of such project; (b) exclusively from the income and revenues of certain designated housing

projects of such Authority whether or not they were financed in whole or in part with the proceeds of such bonds; or (c) from its revenues generally. Any of such bonds may be additionally secured by a pledge of any revenues of any housing project, projects or other property of the Authority.

Neither the commissioners of an Authority nor any person executing the bonds shall be liable personally on the bonds by reason of the issuance thereof. The bonds and other obligations of an Authority (and such bonds and obligations shall so state on their face) shall not be a debt of any city, village, incorporated town, county, the State or any political subdivision thereof and neither the city, village, incorporated town or the county, nor the State or any political subdivision thereof shall be liable thereon, nor in any event shall such bonds or obligations be payable out of any funds or properties other than those of said Authority. The bonds shall not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction. (As amended by act approved July 6, 1937. L.1937, p. 679.)

12. Agreements with Federal agencies.) § 12. An Authority may, in connection with the borrowing of funds, or otherwise, enter into any agreement with the federal government or any agency or instrumentality thereof, including, specifically, the Federal Emergency Administration of Public Works and the Public Works Emergency Housing Corporation, providing for supervision and control of the Authority or any project, and containing such other covenants, terms and conditions as the Authority may deem advisable.

13. Powers of State Housing Board over authorities.) § 13. The State Housing Board may, in its discretion, prescribe methods and forms for keeping accounts, records and books to be used by an Authority, and prescribe accounts to which particular outlays and receipts shall be entered, charged, or credited. The State Housing Board may require an Authority to file periodical reports not oftener than quarterly covering its operations and activities in a form prescribed by the State Housing Board and may, from time to time, require specific answers to questions upon which the State Housing Board may desire information.

The State Housing Board may investigate the conditions and affairs of an Authority, its dealings, transactions or relationships and the manner in which projects are managed, and may through its members or employees enter upon and inspect the property, equipment, buildings, plants and offices of an Authority and examine its books, contracts, records, documents and papers.

Every Authority shall further be subject to the further powers of supervision of the State Housing Board provided in Sections 27, 28 and 29 of the State Housing Act¹ with reference to housing corporations; except with reference to any project financed in whole or in part by the federal government or any agency or instrumentality thereof so long as such project is supervised or controlled by the federal government or any agency or instrumentality thereof or designee or nominee thereof. As amended by act approved June 29, 1955. L.1955, p.—, S.B.No. 599.

¹ Chapter 32 § 530, 531, 532.

14. Approval of State Housing Board required for projects.) § 14. Prior to the acquisition of title to any real property an Authority shall submit to the State Housing Board data as to the location and cost of the property, and prior to the undertaking of any construction or other initiation of a project an Authority shall submit to the State Housing Board the proposed plans, specifications and estimates of the costs and a statement of the proposed methods of financing and operating the project. An Authority shall not finally acquire title to any real estate nor undertake the construction or operation of a project without the approval of the State Housing Board; provided that, if the State Housing Board shall fail within thirty days after receipt thereof to state its disapproval of the proposals or such modifications thereof as it may deem desirable, the proposals shall be deemed to have been approved as submitted. No change involving an expenditure of more than twenty-five hundred dollars (\$2500) shall be made in any proposal approved by the State Housing Board without submission

to the State Housing Board in the manner prescribed in this Section. The provisions of this Section shall not apply with reference to any project which is or is to be financed in whole or in part by the federal government or any agency or instrumentality thereof.

15, 16. § 15, 16. Repealed by act approved July 6, 1937. L.1937, p. 679.

17. Terms defined.) § 17. The following terms, wherever used or referred to in this Act¹ shall have the following respective meanings, unless in any case a different meaning clearly appears from the context:

(a) "Authority" or "housing authority" shall mean a municipal corporation organized in accordance with the provisions of this Act for the purposes, with the powers and subject to the restrictions herein set forth.

(b) "Area" or "area of operation" shall mean:

(1) in the case of an authority which is created hereunder for a city, village, or incorporated town, the area within the territorial boundaries of said city, village, or incorporated town, and so long as no county housing authority has jurisdiction therein, the area within three miles from such territorial boundaries, except any part of such area located within the territorial boundaries of any other city, village, or incorporated town; and

(2) in the case of a county shall include all of the county except the area of any city, village or incorporated town located therein in which there is an Authority. When an authority is created for a county subsequent to the creation of an authority for a city, village or incorporated town within the same county, the area of operation of the authority for such a city, village or incorporated town shall thereafter be limited to the territory of such city, village or incorporated town, but the authority for such city, village or incorporated town may continue to operate any project developed in whole or in part in an area previously a part of its area of operation, or may contract with the county housing authority with respect to the sale, lease, development or administration of such project. When an authority is created for a city, village or incorporated town subsequent to the creation of a county housing authority which previously included such city, village or incorporated town within its area of operation, such county housing authority shall turn over all its property and obligations within such city, village or incorporated town to the authority for such city, village or incorporated town as required by Section 3.²

(c) "Presiding officer" shall mean the presiding officer of the board of a county, or the mayor or president of a city, village or incorporated town, as the case may be, for which an Authority is created hereunder.

(d) "Commissioner" shall mean one of the members of an Authority appointed in accordance with the provisions of this Act.

(e) "Government" shall include the State and Federal governments and the governments of any subdivisions, agency or instrumentality, corporate or otherwise, of either of them.

(f) "State Housing Board" shall mean the State Housing Board created pursuant to an Act entitled "An Act to provide for the organization, management and regulation of housing corporations," approved July 12, 1933,³ herein referred to as the State Housing Act.

(g) "Project" shall include all lands, buildings, and improvements, acquired, owned, leased, managed or operated by a housing authority, and all buildings and improvements constructed, reconstructed or repaired by a housing authority, designed to provide housing accommodations and facilities appurtenant thereto (including community facilities and stores) which are planned as a unit, whether or not acquired or constructed at one time even though all or a portion of the buildings are not contiguous or adjacent to one another; and the planning of buildings and improvements, the acquisition of property, the demolition of existing structures, the clearing of land, the construction, reconstruction, and repair of buildings or improvements and all other work in connection therewith. "Project" shall also include (1) acquisition of (i) a slum or blighted area or a deteriorated or deteriorating area which is predominantly residential in character, or (ii) any

other deteriorated or deteriorating area which is to be developed or redeveloped for predominantly residential uses, or (iii) platted urban or suburban land which is predominantly open and which because of obsolete platting, diversity of ownership, deterioration of structures or of site improvements, or otherwise substantially impairs or arrests the sound growth of the community and which is to be developed for predominantly residential uses, or (iv) open unplatted urban or suburban land necessary for sound community growth which is to be developed for predominantly residential uses, or (v) any other area where parcels of land remain undeveloped because of improper platting, delinquent taxes or special assessments, scattered or uncertain ownerships, clouds on title, artificial values due to excessive utility costs, or any other impediments to the use of such area for predominantly residential uses; (2) installation, construction, or reconstruction of streets, utilities, and other site improvements essential to the preparation of sites for uses in accordance with the development or redevelopment plan; and (3) making the land available for development or redevelopment by private enterprise or public agencies (including sale, initial leasing, or retention by the local public agency itself). If in any city, village or incorporated town there exists a land clearance commission created under the "Blighted Areas Redevelopment Act of 1947"⁴ having the same area of operation as a housing authority created in and for any such municipality such housing authority shall have no power to acquire land of the character described in subparagraph (iii), (iv) or (v) of paragraph 1 of the definition of "project" for the purpose of development or redevelopment by private enterprise.

(h) "Community facilities" shall include lands, buildings, and equipment for recreation or social assembly, for education, health or welfare activities and other necessary utilities primarily for use and benefit of the occupants of housing accommodations to be constructed, reconstructed, repaired or operated hereunder.

(i) "Real property" shall include lands, lands under water, structures, and any and all easements, franchises and incorporeal hereditaments and estates, and rights, legal and equitable, including terms for years and liens by way of judgment, mortgage or otherwise.

(j) The term "governing body" shall include the city council of any city, the president and board of trustees of any village or incorporated town, the council of any city or village, and the county board of any county.

(k) The phrase "individual, association, corporation or organization" shall include any individual, private corporation, insurance company, housing corporation, neighborhood redevelopment corporation, non-profit corporation, incorporated or unincorporated group or association, educational institution, hospital, or charitable organization, and any mutual ownership or cooperative organization. As amended by act approved July 13, 1953. L.1953, p. 1250.

¹ Section 1 et seq. of this chapter.

² Section 3 of this chapter.

³ Section 151 et seq. of this chapter.

⁴ Section 63 et seq. of this chapter.

18. Partial unconstitutionality.) §18. If any section, subdivision, sentence, or clause of this Act is for any reason held invalid or unconstitutional, such decision shall not affect the validity of the remaining portions of this Act.

19. Emergency.) § 19.

20. Issuance of bonds—Form—Sale—Execution—Presumptions.) § 20. Bonds of an Authority shall be authorized by its resolution and may be issued in one or more series and shall bear such date or dates, mature at such time or times, bear interest at such rate or rates, not exceeding six per centum (6%) per annum, be in such denomination or denominations, be in such form, either coupon or registered, carry such conversion or registration privileges, have such rank or priority, be executed in such manner, be payable in such medium of payment at such place or places, and be subject to such terms of redemption (with or without premium) as such resolution or its trust indenture or the bonds so issued may provide.

The bonds may be sold at not less than par and accrued interest, at public or private sale.

In case any of the commissioners or officers of the Authority whose signatures appear on any bonds or coupons, shall cease to be such commissioners or officers before the delivery of such bonds, such signatures shall, nevertheless, be valid and sufficient for all purposes, the same as if such commissioners or officers had remained in office until such delivery. Any bonds issued pursuant to this Act¹ shall be fully negotiable.

In any suit, action or proceedings involving the validity or enforceability of any bond of an Authority or the security therefor, any such bond reciting in substance that it has been issued by the Authority to aid in financing a housing project to provide dwelling accommodations for persons of low income or to aid in slum clearance or land assembly for redevelopment purposes or for any other purposes authorized by this Act shall be conclusively deemed to have been issued for a project of such character and said project shall be conclusively deemed to have been planned, located and constructed in accordance with the purposes and provisions of this Act. As amended by act approved Aug. 3, 1949, L.1949, p. 1013.

¹ Section 1 et seq. of this chapter.

Section added: L.1937, p. 679.

21. Powers in connection with issuance of bonds and incurring obligations.) § 21. In connection with the issuance of bonds or the incurring of obligations under leases and in order to secure the payment of such bonds or obligations, an Authority, in addition to its other powers, shall have power:

(a) To pledge all or any part of its gross or net rents, fees or revenues to which its right then exists or may thereafter come into existence.

(b) To covenant against pledging all or any part of its rents, fees and revenues, or against permitting or suffering any lien on such revenues or property; to covenant with respect to limitations on its right to sell, lease or otherwise dispose of any housing project or any part thereof; and to covenant as to what other, or additional debts or obligations may be incurred by it.

(c) To covenant as to the bonds to be issued and as to the issuance of such bonds in escrow or otherwise, and as to the use and disposition of the proceeds thereof: to provide for the replacement of lost, destroyed or mutilated bonds; to covenant against extending the time for the payment of its bonds or interest thereon; and to redeem the bonds, and to covenant for their redemption and to provide the terms and conditions thereof.

(d) To covenant (subject to the limitations contained in this Act) as to the rents and fees to be charged in the operation of a housing project or projects, the amount to be raised each year or other period of time by rents, fees and other revenues, and as to the use and disposition to be made thereof; to create or to authorize the creation of special funds for moneys held for construction or operating costs, debt service, reserves, or other purposes, and to covenant as to the use and disposition of the moneys held in such funds.

(e) To prescribe the procedure, if any, by which the terms of any contract with bondholders may be amended or abrogated, the amount of bonds the holders of which must consent thereto and the manner in which such consent may be given.

(f) To covenant as to the use of any or all of its real or personal property; and to covenant as to the maintenance of its real and personal property, the replacement thereof, the insurance to be carried thereon and the use and disposition of insurance moneys.

(g) To covenant as to the rights, liabilities, powers and duties arising upon the breach by it of any covenant condition, or obligation; and to covenant and prescribe as to events of default and terms and conditions upon which any or all of its bonds or obligations shall become or may be declared due before maturity, and as to the terms and conditions upon which such declaration and its consequences may be waived.

(h) To vest in a trustee or trustees or the holders of bonds or any specified proportion of them the right to enforce the payment of the bonds or any covenants securing or relating to the bonds; to vest in a trustee or trustees the right, in the event of a default

by said Authority, to take possession of any housing project or part thereof, and (so long as the Authority shall continue in default) to retain such possession and use, operate and manage said project, and to collect the rents and revenues arising therefrom and to dispose of such moneys in accordance with the agreement of the Authority with said trustee; to provide for the powers and duties of a trustee or trustees and to limit the liabilities thereof; and to provide the terms and conditions upon which the trustee or trustees or the holders of bonds or any proportion of them may enforce any covenant or rights securing or relating to the bonds.

(i) To exercise all or any part or combination of the powers herein granted; to make covenants other than and in addition to the covenants herein expressly authorized, of like or different character; to make such covenants and to do any and all such acts and things as may be necessary or convenient or desirable in order to secure its bonds, or, in the absolute discretion of said Authority, as will tend to make the bonds more marketable notwithstanding that such covenants, acts or things may not be enumerated herein. (Added by act approved July 6, 1937. L.1937, p. 679.)

22. Rights of bondholders and trustees.) § 22. A bondholder or trustee for a bondholder shall have the right in addition to all other rights which may be conferred on such bondholder or trustee, subject only to any contractual restrictions binding upon such bondholder or trustee:

(a) By mandamus, suit, action or proceeding at law or in equity to compel said Authority and the commissioners, officers, agents or employees thereof to perform each and every term, provision and covenant contained in any contract of said authority with or for the benefit of such bondholder or trustee, and to require the carrying out of any or all such covenants and agreements of said Authority and the fulfillment of all duties imposed upon said Authority by this Act.

(b) By suit, action or proceeding in equity, to enjoin any acts or things which may be unlawful, or the violation of any of the rights of such bondholders. (Added by act approved July 6, 1937. L.1937, p. 679.)

23. Powers which may be conferred on bondholder or trustee.) § 23. An Authority shall have power by its resolution, trust indenture, lease or other contract to confer upon any bondholder, or any trustee for a bondholder, holding or representing a specified amount in bonds the right (in addition to all rights that may otherwise be conferred), upon the happening of an event of default as defined in such resolution or instrument, by suit, action or proceeding in any court of competent jurisdiction:

(a) To cause possession of any housing project or any part thereof to be surrendered to any such bondholder or trustee, which possession may be retained by such bondholder or trustee so long as the Authority shall continue in default.

(b) To obtain the appointment of a receiver of any housing project of said Authority or any part thereof and of the rents and profits therefrom. If such receiver be appointed, he may enter and take possession of such housing project or any part thereof and (so long as the Authority shall continue in default) operate and maintain same, and collect and receive all fees, rents, revenues, or other charges thereafter arising therefrom, and shall keep such moneys in a separate account or accounts and apply the same in accordance with the obligations of said Authority as the court shall direct.

(c) To require said authority and the commissioners thereof to account as if it and they were the trustees of an express trust. (Added by act approved July 6, 1937. L.1937, p. 679.)

24. § 24. Management and operation of housing projects.) It is hereby declared to be the policy of this State that each housing authority shall manage and operate its housing projects in an efficient manner so as to enable it to fix the rentals for dwellings at the lowest possible rates consistent with its providing decent, safe and sanitary dwellings, and that no housing Authority shall construct or operate any such project for profit, or as a source of revenue to a city, village, incorporated town or county. To this end an Authority shall fix the rentals for dwellings in its projects

at no higher rates than it shall find to be necessary in order to produce revenues which (together with all other available moneys, revenues, income and receipts of the Authority from whatever sources derived) will be sufficient (a) to pay, as the same becomes due, the principal and interest on the bonds of the Authority; (b) to meet and provide for the cost of maintaining and operating the projects (including the cost of any insurance on the projects or bonds issued therefor) and the administrative expenses of the Authority; (c) to create (during not less than the ten years immediately succeeding its issuance of any bonds) a reserve sufficient to meet the large principal and interest payments which will be due on such bonds in any two consecutive years thereafter, and to maintain such reserve; and (d) to create a reasonable reserve solely from any contributions or grants to the Authority from the Federal government, the State, or any political subdivision of the State for the purpose of meeting the cost of maintaining and operating the project and of paying the principal and interest on its bonds. As amended by act approved Aug. 3, 1949. L.1949, p. 1013.

Section added: L.1937, p. 679.

25. Rentals and tenant selection.) § 25. In the operation or management of housing projects an Authority shall at all times observe the following duties with respect to rentals and tenant selection: (a) It shall not accept any person as a tenant in any dwelling in a housing project if the persons who would occupy the dwelling have an aggregate annual income which equals or exceeds the amount which the Authority determines (which determination shall be conclusive) to be necessary in order to enable such persons to secure safe, sanitary and uncongested dwelling accommodations within the area of operation of the Authority and to provide an adequate standard of living for themselves. (b) It may rent or lease the dwelling accommodations therein only at rentals within the financial reach of persons who lack the amount of income which it determines (pursuant to (a) of this Section) to be necessary in order to obtain safe, sanitary and uncongested dwelling accommodations within the area of operation of the Authority and to provide an adequate standard of living. (c) It may rent or lease to a tenant a dwelling consisting of the number of rooms (but no greater number) which it deems necessary to provide safe and sanitary accommodations to the proposed occupants thereof, without overcrowding. (d) It shall not accept any person as a tenant who does not take and subscribe the oath or affirmation prescribed in Section 25.01.

Nothing contained in this Section or any other Section of this Act shall be construed as limiting the power of an Authority to vest in a bondholder or trustee the right, in the event of a default by the Authority, to take possession and operate a housing project or cause the appointment of a receiver thereof, free from all restrictions imposed by this Section or any other Section of this Act. As amended by act approved July 13, 1953. L.1953, p. 1238.

25.01 Oath or affirmation of tenant.) § 25.01 Every tenant in any dwelling in a housing project shall take and subscribe an oath or affirmation in substantially the following form:

United States of America
State of Illinois ss

I, _____, do swear that I am a citizen of the United States and the State of Illinois, that I am not affiliated directly or indirectly with any communist organization or any communist front organization, or any foreign political agency, party, organization or government which advocates the overthrow of constitutional government by force or other means not permitted under the Constitution of the United States or the constitution of this State; that I do not directly or indirectly teach or advocate the overthrow of the government of the United States or of this State or any unlawful change in the form of the governments thereof by force or any unlawful means.

Subscribed and sworn to by me this _____ day of _____
19__.

Notary Public

New Sections 25.02, 25.03, 25.04, 25.05 to be inserted p. 11, of copy of Illinois Housing Laws (Green Book) Chap. 67 1/2 Ill. Rev. Stat.

Requirement that membership in subversive organization be denied was void for failure to distinguish between innocent and knowing membership. Chicago Housing Authority v. Blackman, 4 Ill.2d 319, 122 N.E.2d 522.

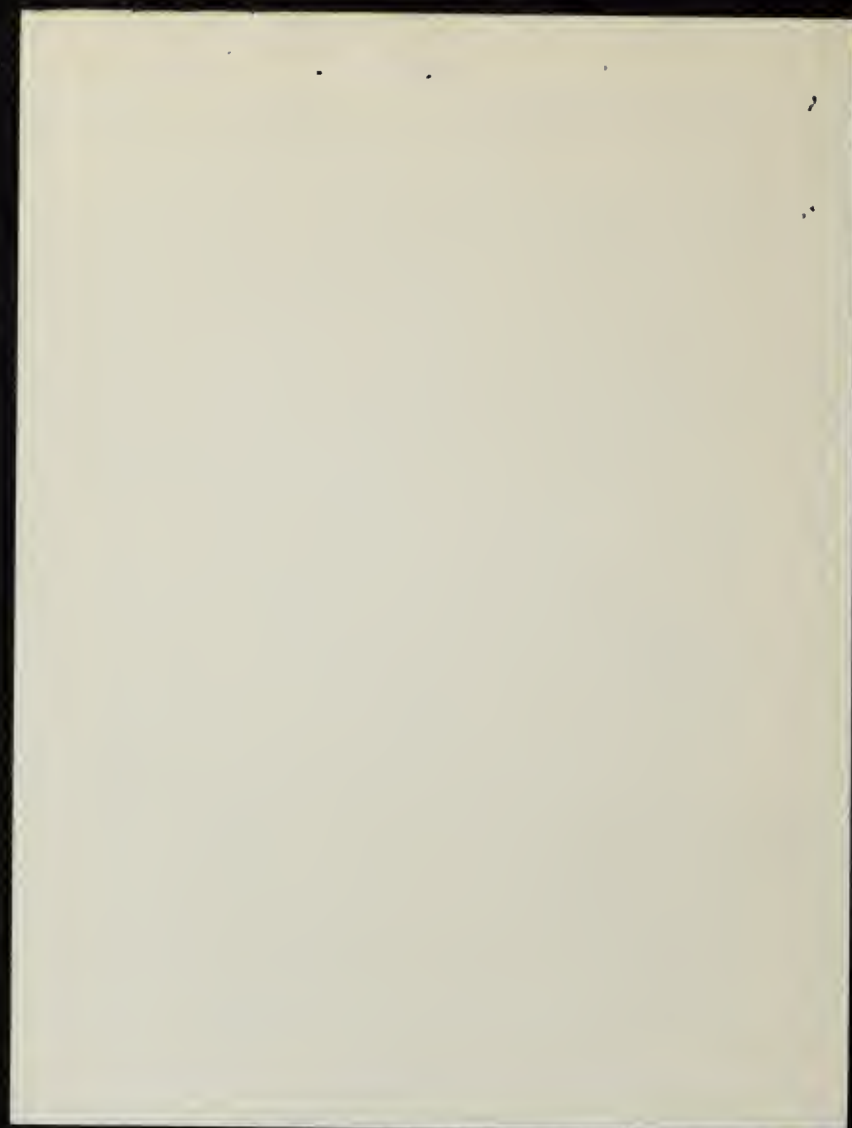
25.02 Eviction of tenant failing to take oath.) § 25.02 Any tenant in any dwelling in a housing project who has not taken and subscribed the oath prescribed in Section 25.01 on or before September 1, 1953, shall be evicted. Added by act approved July 13, 1953. L.1953, p. 1238.

25.03 Application for tenancy and tenancy renewal--oath--perjury.) § 25.03 Every person making application for tenancy or renewal of tenancy in a housing project of a local housing authority shall provide the local housing authority information as to the composition of the applicant's family, and income, from all sources, of all family members.

All statements in an application shall be made under oath of the applicant. An applicant who swears wilfully, corruptly and falsely with respect to any material statement in his application bearing upon his eligibility for tenancy, total family income, or family composition, shall be guilty of perjury and upon conviction shall be punished accordingly. Added by act approved July 23, 1959. L.1959, p. ____ , S.B.No. 712.

25.04 Fraud--criminal penalties.) § 25.04 Any person who by means of any false statement or willful misrepresentation, misleads, defrauds, or induces a local housing authority to fix the rent in an amount less than required under the regulations of the local housing authority, or by other fraudulent device or means obtains or attempts to obtain, or aids and abets any person in fraudulently obtaining or attempting to obtain the fixing of the rent in an amount less than the sum required under the regulations of the local housing authority, is deemed guilty of a misdemeanor and, upon conviction thereof, shall be fined not more than \$1,000 or imprisoned for not more than one year, or both, in the discretion of the court. Added by act approved July 23, 1959. L.1959, p. ____ , S.B.No. 712.

25.05 Fraud--civil damages.) § 25.05 Any person who by means of any fraudulent misstatement or willful misrepresentation made in connection with an application for tenancy or renewal of tenancy in a housing project of a local housing authority misleads, defrauds, or induces said authority to fix a rental payment for his tenancy at a sum less than required under the regulations of the local housing authority shall be answerable to said authority for payment of a sum equivalent to the difference between the rental charged to the tenant and the rent which the tenant should have been charged in accordance with the regulations of the local housing authority, and in the event such payment is not made it shall be recoverable in a Civil action. In any such Civil action where fraud is proven, the court may as a penalty receivable by said authority, assess an additional sum of money up to but not in excess of the entire amount of the difference in rent charged to the tenant and that which should have been charged but for the willful misrepresentation and misstatements. Added by act approved July 23, 1959. L.1959, p. ____ , S.B.No. 712.



My commission expires:

Added by act approved July 13, 1953, L.1953, p. —, S.B.No. 193.

25.02. Eviction of tenant failing to take oath.) § 25.02. Any tenant in any dwelling in a housing project who has not taken and subscribed the oath prescribed in Section 25.01 on or before September 1, 1953, shall be evicted. Added by act approved July 13, 1953, L.1953, p. 1238.

26. Contracts may contain requirements as to minimum wages and maximum hours.) § 26. An Authority (notwithstanding anything to the contrary contained in this Act or any other provision of law) may include in any contract let in connection with a project stipulations requiring that the contractor or any subcontractors comply with requirements as to minimum wages and maximum hours of labor and with any conditions which the Federal government may have attached to its financial aid of the project. (Added by act approved July 6, 1937, L.1937, p. 679.)

27. Agreements with Federal government.) § 27. In addition to the powers conferred by other provisions of this Act,¹ an authority shall have power to borrow money or accept grants or other financial assistance from the Federal government for or in aid of any project, to procure or agree to the procurement of insurance or guarantees from the Federal government of the payment of any bonds or parts thereof issued by such Authority, including the power to pay premiums on any such insurance, to purchase, take over, lease or manage any housing facilities, project or undertaking constructed or owned by the Federal government (notwithstanding Section 10 of this Act),² and to these ends, to comply with such conditions and enter into such trust indentures, leases or agreements as may be necessary, convenient or desirable. It is the purpose and intent of this Act to authorize every Authority to do any and all things necessary or desirable to secure the financial aid or cooperation of the Federal government in the purchasing, acquiring, constructing, maintaining, operating, improving, extending and repairing of housing projects, in rehabilitating existing structures for purposes of making available additional dwelling units, and in the assembly of improved and unimproved property for development or redevelopment purposes by either public or private agencies. As amended by act approved Aug. 3, 1949, L.1949, p. 1013.

¹ Section 1 et seq. of this chapter.

² Section 10 of this chapter.

Section added: L.1937, p. 679.

27a. Who may invest in bonds of housing authority. § 28. The State and all counties, cities, villages, incorporated towns and other municipal corporations, political subdivisions and public bodies and public officers of any of any thereof¹ thereof, all banks, bankers, trust companies, savings banks and institutions, building and loan associations, savings and loan associations, investment companies and other persons carrying on a banking business, all insurance companies, insurance associations and other persons carrying on an insurance business, and all executors, administrators, guardians, trustees and other fiduciaries may legally invest any sinking funds, moneys or other funds belonging to them or within their control in any bonds or other obligations of a housing authority issued in connection with a project for which the Federal government, the State, or any political subdivision of the State has extended or provided for or has agreed to extend or provide for, financial assistance either in the form of a capital grant, a loan, or an annual subsidy, or by means of tax exemption, the sale, lease, gift or bailment of real or personal property, the furnishing of services, or in any other form, it being the purpose of this section to authorize the investment in such bonds or other obligations of all sinking, insurance, retirement, compensation, pension and trust funds, whether owned or controlled by private or public persons or officers; provided, however, that nothing contained in this section may be construed as relieving any person, firm, or corporation from any duty of exercising rea-

sonable care in selecting securities. As amended by act approved Aug. 3, 1949, L.1949, p. 1013.

¹ Words "of any thereof" probably should be omitted.

Section added: L.1938, First Sp.Sess., p. 33.

27b. Payment of service charges to taxing bodies.) § 29. With respect to any housing project of a housing authority, the housing authority shall, after such project has become occupied, either in whole or in part, file with the proper assessing authority on or before April 1 of each year, a statement of the aggregate shelter rentals of each such project collected during the preceding calendar year; and, unless a different amount has been agreed upon between the housing authority and the city, village, incorporated town or county for which the housing authority was created, five (5) per cent of such aggregate shelter rentals shall be charged and collected as a service charge for the services and facilities to be furnished with respect to such project, in the manner provided by law for the assessment and collection of taxes, and the amount so collected shall be distributed to the several taxing bodies in such proportions that each taxing body will receive therefrom the same proportion as the tax rate of such taxing body bears to the total tax rate that would be levied against the project if it were not exempt from taxation. A city, village, incorporated town or county for which a housing authority has been created may agree with the housing authority, with respect to any housing projects, either separately or jointly or one or more of them, for the payment of a service charge in an amount greater or less than five (5) per cent of the aggregate annual shelter rentals of any project, upon the basis of shelter rentals or upon such other basis as may be agreed upon, but not exceeding the amount which would be payable in taxes thereon were the property not exempt, and, if such an agreement is made, the amount so agreed upon shall be collected and distributed in the manner above provided. If such project or projects have become occupied or if the land upon which such project or projects are to be constructed has been acquired, such agreement shall specify definitely the location of the project or projects for which the agreement is made. Shelter rental shall mean the total rentals of a housing project as such project is defined in the twelfth subsection of Section 19 of the Revenue Act of 1939, filed May 17, 1939,¹ as heretofore or hereafter amended, exclusive of any charge for utilities and special services such as heat, water, electricity and gas. The records of each housing project shall be open to inspection by the proper assessing officers. As amended by act approved July 11, 1955, L.1955, p. —, S.B.No. 359.

¹ Chapter 120 § 500.

27c. Joint exercise of powers—Operating outside area of population.) § 30. Housing authorities may jointly exercise any or all of the powers conferred on such housing authorities, for the purpose of financing, planning, undertaking, constructing or operating a housing project or projects located within the "area of operation" of any one or more of such housing authorities; and may with respect to each other exercise any powers enumerated in "An Act in relation to aid of housing projects and cooperation with housing authorities and the Federal government by municipal corporations, political subdivisions and other public bodies of this State", filed July 13, 1937,¹ as amended, in addition to powers conferred by this Act.

A housing authority may operate outside of its area of operation (1) by contract with another housing authority, or (2) by contract with a state public body not within the area of operation of another housing authority, if the State Housing Board shall first have found a shortage of safe or sanitary dwellings within the area of such State public body, in the manner provided by Section 3 of this Act,² and shall have issued a certificate to this effect to such housing authority and to such State public body. Added by act approved July 1, 1941, L.1941, vol. 1, p. 821.

¹ Section 28 et seq. of this chapter.

² Section 3 of this chapter.

27d. Emergency, certificate of—National defense.) § 31. Any Housing Authority may, in case of emergency created in its

area of operation by the national defense program, apply to the State Housing Board for a certificate of emergency, submitting with such application a statement of the reasons therefor.

The State Housing Board shall issue such certificate if it shall find that additional workers, including enlisted personnel in the naval or military services of the United States, and their families have been or are to be brought into such area as a result of the national-defense program, and that it is imperative that action be taken immediately within the area of operation of such authority to assure additional safe and sanitary dwellings.

Such certificates shall terminate on July 1, 1943, unless the State Housing Board shall extend them for further periods not exceeding four years, upon a showing that the national-defense program requires the continued operation of projects subject to such certificate, or the development of additional projects, or both.

A certificate of emergency shall authorize a Housing Authority (1) to initiate, develop and administer projects in the interest of the national-defense program; and (2) to cooperate with and act as an agent of the national government or of any agency thereof in the development or administration of such projects undertaken by the national government or any agency thereof.

So long as a certificate of emergency is in effect, the Housing Authority shall not be subject to the limitations of Section 25¹ and of the second sentence of Section 24 of this Act² nor to other restrictions of this and other Acts which may interfere with the use of its powers in the interest of the national-defense program; and all provisions of Section 29 of this Act³ shall apply thereto.

Any state public body as defined in "An Act in relation to aid of housing projects and cooperation with housing authorities and the Federal government by municipal corporations, political subdivisions and other public bodies of this State," filed July 13, 1937,⁴ shall have the rights and powers set forth in that Act with respect to the initiation, development and administration of projects by a Housing Authority or by the Federal government, and such rights and powers shall apply to all projects undertaken as parts of the national-defense program under certificates of emergency. As amended by act approved May 8, 1945. L.1945, p. 940.

¹ Section 25 of this chapter.

² Section 24 of this chapter.

³ Section 27b of this chapter.

⁴ Section 28 et seq. of this chapter.

Section added: L.1941, vol. 1, p. 821.

27e. Dissolution of authority.) § 32. An Authority created pursuant to this Act¹ may be dissolved and its corporate status terminated in the following manner: whenever the commissioners of an Authority adopt a resolution to the effect that it has completed all projects undertaken by it, or that it has undertaken no project and has no project in contemplation, and that it has no other duties to perform in its area of operation, it shall submit a certified copy thereof to the governing body of the area of operation for which it was initially created. If the governing body concurs therein, it shall adopt an ordinance or resolution in support thereof and transmit a certified copy thereof, together with the certified copy of the resolution of the Authority, to the Illinois State Housing Board. The Board shall audit the financial records of the Authority and if the Authority has not been the recipient of funds from the State of Illinois, or if it has received such funds and fully expended the same in the exercise of its statutory powers, and if no judicial action is then pending in which the Authority, or the Commissioners thereof in their official capacity, is a party, and if the Authority is not a party to any unexecuted contract or agreement, oral or written, in which a monetary claim may be asserted against it by any person, firm or corporation, it shall issue a Certificate of Dissolution, attested by the Secretary of the Board, and file the same for record in the office of the Recorder of Deeds in the county in which the Authority is located.

If the Authority has in its possession or title public funds which are or have been derived from grants made by the State of Illinois, or any real or personal property acquired by such state funds, and if no judicial action is pending or contractual claims outstanding against such Authority as above provided, the State Housing

Board shall require the Authority to transfer such funds to it, and to sell and liquidate its interest in such real or personal property at a fair value to be fixed by the Board and pay the proceeds thereof to the Board. Upon compliance with such direction, the Board shall issue, and file for recording, a Certificate of Dissolution in the manner above provided. All moneys received by the Board from the Authority shall forthwith be paid into the State Treasury.

An Authority shall be deemed legally dissolved upon the filing of the Certificate of Dissolution in the Office of the Recorder of Deeds as herein provided. Such dissolution shall not affect or impair the validity of any deed of conveyance theretofore executed and delivered by the Authority. The dissolution of an Authority shall not be a bar to the establishment of a new Authority for the same area of operation in the manner provided by Section 3 of this Act.² Added by act approved Aug. 3, 1949. L.1949, p. 1007.

¹ Section 1 et seq. of this chapter.

² Section 3 of this chapter.

HOUSING COOPERATION LAW

AN ACT in relation to aid of housing projects and cooperation with housing authorities and the Federal government by municipal corporations, political subdivisions and other public bodies of this State. (Filed July 13, 1937. L.1937, p. 677.)

Be it enacted by the People of the State of Illinois, represented in the General Assembly.

28. Title of act.) § 1. This Act shall be known as the "Housing Cooperation Law".

29. Housing projects declared to be governmental function.)

§ 2. It is hereby found and declared that there exist in the State unsafe and unsanitary housing conditions and a shortage of safe and sanitary dwelling accommodations for persons of low income; that these conditions necessitate excessive and disproportionate expenditures of public funds for crime prevention and punishment, public health and safety, fire and accident protection, and other public services and facilities; and that the public interest requires the remedying of these conditions. It is hereby found and declared that the assistance herein provided for the remedying of the conditions herein described and referred to in the State Housing Act and the Housing Authorities Act constitutes a public use and purpose and an essential governmental function for which public moneys may be spent, and other aid given; that it is a proper public and corporate purpose for any State Public Body to aid any housing authority operating within its boundaries or jurisdiction or any housing project located therein as the State Public Body derives immediate benefits and advantages from such an authority or project; and that the provisions hereinafter enacted are necessary in the public interest.

30. Definitions.) § 3. The following terms, whenever used or referred to in this Act shall have the following respective meanings, unless a different meaning clearly appears from the context:

(a) "Housing authority" shall mean any housing authority heretofore or hereafter created by or pursuant to the Housing Authorities Act of this State.

(b) "Housing project" shall mean any work or undertaking of a housing authority pursuant to the Housing Authorities Act or any similar work or undertaking of the Federal Government.

(c) "State Public Body" shall mean any city, village, incorporated town, county, municipal corporation, commission, district, authority, or other subdivision or public body of the State.

(d) "Governing body" shall mean the council, president and board of trustees, board of commissioners, county board, or other body having charge of the legislative and fiscal affairs of a State Public Body.

(e) "Federal Government" shall mean the United States of America, the Federal Emergency Administration of Public Works, or any other agency or instrumentality, corporate or otherwise, of the United States of America.

31. Powers of State public body.) § 4. For the purpose of aiding and cooperating in the planning, undertaking, construction, reconstruction, improvement, alteration, repair or operation of housing projects located in whole or in part within the area in which it is authorized to act, any State Public Body may upon such terms, with or without consideration, as it may determine:

(a) Dedicate, sell, convey or lease any of its interest in any property or grant easements, licenses or other rights or privileges therein to a housing authority or the Federal Government;

(b) Cause parks, playgrounds, recreational, community, educational, water, sewer or drainage facilities, or any other works which it is otherwise empowered to undertake, to be furnished adjacent to or in connection with the housing projects;

(c) Furnish, dedicate, close, pave, install, grade, regrade, plan or replan streets, roads, roadways, alleys, sidewalks, or other places which it is otherwise empowered to undertake;

(d) Assign or loan any of its employees to a housing authority to aid in the performance of the work of such housing authority; and provide for a housing authority any necessary office space, equipment or other facilities;

(e) Make exceptions from building regulations and ordinances; plan or replan, or zone or rezone, any part of such State Public Body pursuant to existing laws;

(f) Enter into agreements, (which may extend over any period, notwithstanding any provision or rule of law to the contrary) with a housing authority or the Federal Government respecting action to be taken by such State Public Body pursuant to any of the powers granted by this Act;

(g) By agreement with any housing authority operating within its boundaries or jurisdiction, to designate and use such housing authority as an instrumentality to make investigations on behalf of such State Public Body and to perform such other functions as may be specified by such agreement; and to make appropriations to such authority;

(h) Lend money to a housing authority from time to time, which, when it has funds available for such purpose, shall make reimbursements for all loans made to it together with interest thereon;

(i) Do any and all things, necessary or convenient to aid and cooperate in the planning, undertaking, construction, reconstruction, improvement, alteration, repair or operation of such housing projects;

(j) Cause services of the character which such State Public Body is otherwise empowered to furnish to be furnished to a housing authority;

(k) Enter into agreements with respect to the exercise by such State Public Body of its powers relating to the repair, elimination or closing of unsafe, insanitary or unfit dwellings;

(l) Employ (notwithstanding the provisions of any other law) any funds belonging to, or within the control of, such State Public Body, including funds derived from the sale or furnishing of property or facilities to a housing authority, in the purchase of the bonds of a housing authority;

(m) Cooperate with a housing authority in the enforcement of regulations adopted by such authority in the exercise of the jurisdiction of the authority with respect to the maintenance in a safe and sanitary condition of the dwellings and appurtenant areas located within the boundaries of any such project operated by the housing authority; and

(n) Vest any or all of the powers it may possess relating to the repair, maintenance of standards, elimination or closing of unsafe, insanitary or unfit dwellings, in a housing authority (which shall exercise such powers as an agency of such State Public Body) located in whole or in part within the area in which such State Public Body is authorized to act. As amended by act approved July 12, 1938. L.1938, First Sp.Sess., p. 31.

Validity. *Cremer v. Peoria Housing Authority*, 399-579, 78 N.E.2d 276.

32. Investment in bonds of housing authority.) § 5. Any State Public Body may purchase or legally invest in any of the bonds of a housing authority located in whole or in part within the area of such State Public Body and exercise all of the rights of any holder of such bonds.

32a. Donations by State Public Body to housing authorities.)

§ 5a. Any State Public Body may make donations to any housing authority located in whole or in part within the area in which such State Public Body is authorized to act and may enter into agreements with any such housing authority to make such donations annually over any period of years. Whenever any State Public Body shall enter into any such agreement to make the donations hereinabove authorized over a period of years, it shall be and is hereby made the duty of the governing body of such State Public Body to include in the annual budget, annual appropriation bill, annual appropriation ordinance or in the amount certified or determined to be raised by taxation, for each current fiscal year, an appropriation or provision of a sum of money sufficient to raise the amount, which, under and by terms of any such agreement, shall become due and payable during such current fiscal year. Added by act approved July 12, 1938. L.1938, First Sp. Sess., p. 31.

32b. Agreements between municipal corporation and housing authority.)

§ 5b. Any city, village, incorporated town or county for which a housing authority has been created may enter into such agreements with its respective housing authority as are authorized by section 29 of "An Act in relation to housing authorities," approved March 19, 1934, as amended.¹ Added by act approved July 12, 1938. L.1938, First Sp.Sess., p. 31.

¹ Section 1 et seq. of this chapter.

Under this section, appointment of city as agent to contract for all taxing bodies within city with reference to service charges assessed against housing authorities' property is reasonable and does not constitute "special legislation" in violation of Const. art. 4, § 22. *Krause v. Peoria Housing Authority*, 370-356, 19 N.E.2d 193.

33. Changes in housing project.) § 6. With respect to any housing project which a housing authority has acquired or taken over from the Federal Government and which the housing authority by resolution has found and declared to have been constructed in a manner that will promote the public interest and afford necessary safety, sanitation and other protection, no State Public Body shall require any changes to be made in the housing project or the manner of its original construction or take any other action relating to such construction.

34. Powers conferred to be additional.) § 7. The powers conferred by this Act shall be in addition and supplemental to the powers conferred by any other law.

35. Partial invalidity.) § 8. If any provisions of this Act, or the application thereof to any person or circumstances, is held invalid, the remainder of the Act and the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

VALIDATING ACTS

AN ACT to legalize the creation and establishment of Housing Authorities in the State of Illinois under the provisions of the Housing Authorities Act, approved March 19, 1934, and declaring them bodies corporate and politic. (Approved July 6, 1937. L.1937, p. 676.)

Be it enacted by the People of the State of Illinois, represented in the General Assembly:

36. Creation of housing authorities validated.) § 1. The creation and establishment of housing authorities under the provisions of an Act entitled "An Act in relation to housing authorities", approved March 19, 1934,¹ known as the Housing Authorities Act, together with all proceedings, acts and things undertaken, performed or done with reference thereto, are hereby validated, ratified, confirmed, approved and declared legal in all respects, notwithstanding any want of statutory authority or any defect or irregularity in such acts or proceedings.

¹ Sections 1-19 of this chapter.

Even if the Housing Act of 1934 was defective under Const. art. 4, § 1, for failure to prescribe adequate standards in delegation of duties to state housing board, Legislature could by this section and section 37 of this chapter, a curative act, validate establishment of housing authorities under original act. *Krause v. Peoria Housing Authority*, 370-356, 19 N.E.2d 193.

37. Authorities to be corporate bodies.) § 2. The said housing authorities are hereby constituted and declared to be bodies corporate and politic with all the powers, rights and duties set forth in the Housing Authorities Act¹ and any amendments thereto.

¹ Sections 1-19 of this chapter.

38-50 Reserved for future legislation.

STATE CONTRIBUTION

51, 52. (L.1945, p. 946). Repealed by act approved July 2, 1947. L.1947, p. 1086.

HOUSING DEVELOPMENT AND CONSTRUCTION

AN ACT to facilitate the development and construction of housing, to provide governmental assistance therefor, and to repeal an Act herein named. Approved July 2, 1947. L.1947, p. 1086.

Be it enacted by the People of the State of Illinois, represented in the General Assembly:

53. Legislative determination.) § 1. It is declared as a matter of legislative determination that in order to promote and protect the health, safety, morals and welfare of the public, it is necessary in the public interest to provide financial assistance to housing authorities and Land Clearance Commissions for the purpose of facilitating the construction and development of housing and alleviating the crucial housing shortage which prevails throughout the state; that the uses and purposes for which moneys may be allocated under this act¹ are grounded in public necessity and predicated upon emergency conditions requiring immediate governmental consideration and action; and that the provisions of this Act embrace public objects and governmental functions essential to the public interest.

¹ Sections 53-62 of this chapter.

Validity. *Cremer v. Peoria Housing Authority*, 399-579, 78 N.E.2d 276.

54. Housing authorities and Land Clearance Commissions may apply for grant of state funds—Amount.) § 2. Any housing authority now or hereafter organized under the "Housing Authorities Act," approved March 19, 1934, as amended,¹ and any Land Clearance Commission heretofore organized under the Act herein repealed or hereafter organized under the provisions of the "Blighted Areas Redevelopment Act of 1947," enacted by the 65th General Assembly,² may make application to the State Housing Board for a grant of state funds from the appropriation designated for the making of grants under this Act.³ No such housing authority or Land Clearance Commission shall apply for a sum larger than the proportion of the population of its area of operation to the population of the State, and where an authority and Land Clearance Commission have been created by the governing body of the same municipality, an amount not in excess of one-half ($\frac{1}{2}$) of the maximum grant allocable for such municipality on the foregoing basis of proportion of population may be allocated to the housing authority and an amount not in excess of one-half ($\frac{1}{2}$) of the maximum grant so allocable for such municipality may be allocated to the Land Clearance Commission.

The foregoing provisions of this section in respect to maximum allocable grants to housing authorities and land clearance commissions from funds appropriated by the 66th or any succeeding General Assembly, and applications therefor, shall be subject to the provisions of Section 3a of this Act.⁴ As amended by act approved Aug. 3, 1949. L.1949, p. 1024.

¹ Section 1 et seq. of this chapter.

² Sections 63-91 of this chapter.

³ Section 53 et seq. of this chapter.

⁴ Section 55a of this chapter.

55. Statement of uses to accompany application—Review of applications—Approval.) § 3. Every application for a grant shall be accompanied by a statement of the uses to which the grant is to be applied, a description of the housing conditions in the area

of operation of the applicant, and a plan for development or redevelopment or other use to be undertaken by the applicant. Subject to the provisions of Section 3a¹ the State Housing Board shall review all applications for grants and if satisfied that a need therefor exists in relation to the uses to which it is to be applied and upon approval of the plan submitted with the application, the chairman of the State Housing Board shall transmit to the Auditor of Public Accounts a statement of approval and of the amount of the grant. Upon receipt of such statement by the Auditor of Public Accounts, the approved grant shall be paid to the applicant from the appropriation designated for the making of grants under this Act.² Such payment shall complete all obligations of the State under the provisions of this Act. As amended by act approved Aug. 3, 1949. L.1949, p. 1024.

¹ Section 55a of this chapter.

² Section 53 et seq. of this chapter.

55a. Time for application—Distribution of unallocated portion of appropriation.) § 3a. Application for grants from funds appropriated by the 66th or any succeeding General Assembly shall be made not later than June 30th of the year following the year in which such appropriation was enacted. Each such application shall be reviewed by the State Housing Board as provided in Section 3¹ and if approved shall entitle the applicant to a grant upon the basis of the population formula prescribed in Section 2.² No application shall be approved unless the State Housing Board is satisfied that the amount approved will be properly employed by the applicant in carrying out the plan accompanying the application.

If any housing authority or land clearance commission has failed to make application for a grant of funds appropriated by the 66th or any succeeding General Assembly prior to July 1st of the year following the year in which the appropriation was enacted, such portion of the appropriation as remains unallocated shall be available for distribution by the State Housing Board to housing authorities and land clearance commissions which make application and establish a need therefor in relation to a specific project or projects approved by the Board. The determination of the relative needs of applicants shall be made by the State Housing Board; provided, that in no event shall the sum of any initial and supplemental grants to any applicant exceed fifty per cent (50%) of the total appropriation made available for distribution to all applicants in the State. Added by act approved Aug. 3, 1949. L.1949, p. 1024.

¹ Section 55 of this chapter.

² Section 54 of this chapter.

56. Deposit of grants to Land Clearance Commissions—Grants hereunder not conditioned upon matching of funds.) § 4. Grants paid to Land Clearance Commissions pursuant to this Act¹ shall be deposited in a separate fund and be applied only to the uses authorized by the "Blighted Areas Redevelopment Act of 1947", enacted by the 65th General Assembly.² If any such Land Clearance Commission has received state or municipal grants under said "Blighted Areas Redevelopment Act of 1947", the sum paid under this Act shall be deposited in the separate fund into which such other grants were placed for use in connection with any redevelopment project or projects undertaken by such commission. No grant to a Land Clearance Commission hereunder shall be conditioned upon the matching thereof by the municipality in which the redevelopment project is located.

¹ Sections 53-62 of this chapter.

² Sections 63-91 of this chapter.

57. Purposes for which grants to housing authorities may be used—Sale or lease of property—Undertakings—Acquisition of property in cities over 500,000.) § 5. Any grants paid hereunder to a housing authority shall be deposited in a separate fund and, subject to the approval of the State Housing Board, may be used for any or all of the following purposes as the needs of the community may require: the acquisition of land by purchase, gift or condemnation and the improvement thereof, the purchase and installation of temporary housing facilities, the construction of hous-

ing units for rent or sale to veterans, the families of deceased servicemen, and for persons and families who by reason of overcrowded housing conditions or displacement by eviction, fires or other calamities, or slum clearance or other private or public project involving relocation, are in urgent need of safe and sanitary housing, the making of grants in connection with the sale or lease of real property as provided in the following paragraph of this section, and for any and all purposes authorized by the "Housing Authorities Act," approved March 19, 1934,¹ as amended, including administrative expenses of the housing authorities in relation to the aforesaid objectives, to the extent and for the purposes authorized and approved by the State Housing Board. Each housing authority is vested with power to exercise the right of eminent domain for the purposes authorized by this Act.² Condemnation proceedings instituted by any such authority shall be in all respects in accordance with an Act entitled "An Act to provide for the exercise of the right of eminent domain," approved April 10, 1872, as amended.³

In addition to the foregoing, and for the purpose of facilitating the development and construction of housing, housing authorities may, with the approval of the State Housing Board, enter into contracts and agreements for the sale or lease of real property acquired by the Authority through the use of the grant hereunder, and may sell or lease such property to (1) housing corporations operating under "An Act in relation to housing," approved July 12, 1933, as amended;⁴ (2) neighborhood redevelopment corporations operating under the "Neighborhood Redevelopment Corporation Law," approved July 9, 1941;⁵ (3) insurance companies operating under Section 125 of the "Illinois Insurance Code," approved June 29, 1937, as amended;⁶ (4) non-profit corporations organized for the purpose of constructing, managing and operating housing projects and the improvement of housing conditions, including the sale or rental of housing units to persons in need thereof; or (5) to any other individual, association or corporation, including bona fide housing cooperatives, desiring to engage in a development or redevelopment project. The term "corporation" as used in this section, means a corporation organized under the laws of this or any other state of the United States, or of any country, which may legally make investments in this State of the character herein prescribed, including foreign and alien insurance companies as defined in Section 2 of the "Illinois Insurance Code."⁷ No sale or lease shall be made hereunder to any of the aforesaid corporations, associations or individuals unless a plan approved by the Authority has been presented by the purchaser or lessee for the development or redevelopment of such property, together with a bond, with satisfactory sureties, of not less than ten per centum (10%) of the cost of such development or redevelopment, conditioned upon the completion of such development or redevelopment; provided that the requirement of the bond may be waived by the State Housing Board if it is satisfied of the financial ability of the purchaser or lessee to complete such development or redevelopment in accordance with the presented plan. To further assure that the real property so sold or leased shall be used in accordance with the plan, the State Housing Board may require the purchaser or lessee to execute in writing such undertakings as the Board deems necessary to obligate such purchaser or lessee (1) to use the property for the purposes presented in the plan; (2) to commence and complete the building of the improvements designated in the plan within the periods of time that the State Housing Board fixes as reasonable, and (3) to comply with such other conditions as are necessary to carry out the purposes of this Act. Any such property may be sold pursuant to this section for any legal consideration in an amount to be approved by the State Housing Board. Subject to the approval of the State Housing Board, a housing authority may pay to any non-profit corporation of the character described in this section from grants made available from state funds, such sum of money which, when added to the value of the land so sold or leased to such non-profit corporation and the value of other assets of such non-profit corporation available for use in the project, will enable such nonprofit corporation to obtain Federal Housing Administration insured construction mortgages. Any such authority may also sell, transfer, convey or as-

sign to any such non-profit corporation any personal property, including building materials and supplies, as it deems necessary to facilitate the completion of the development or redevelopment by such non-profit corporation.

If the area of operation of a housing authority includes a city, village or incorporated town having a population in excess of 500,000, as determined by the last preceding Federal Census, no real property or interest in real property shall be acquired in such municipality by the housing authority until such time as the housing authority has advised the governing body of such municipality of the description of the real property, or interest therein, proposed to be acquired, and the governing body of the municipality has approved the acquisition thereof by the housing authority. As amended by act approved Aug. 3, 1949. L.1949, p. 1024.

¹ Section 1 et seq. of this chapter.

² Section 53 et seq. of this chapter.

³ Chapter 47, § 1 et seq.

⁴ Section 151 et seq. of this chapter.

⁵ Section 251 et seq. of this chapter.

⁶ Chapter 73, § 737.

⁷ Chapter 73, § 614.

58. Application of provisions of section 54 limiting amount of grant.) § 6. No applications for grants shall be approved within a period of thirty days after the effective date of this Act.¹

In the event an allocation is made to a housing authority prior to the formation of a Land Clearance Commission for the same municipality, or to a Land Clearance Commission prior to the formation of a housing authority, the limitation on the amount of the grant as provided in Section 2 shall not be applicable, and the maximum amount allocable on the basis of the proportion of population as specified in Section 2 may lawfully be granted to such existing housing authority or Land Clearance Commission.

¹ Sections 53-62 of this chapter.

² Section 54 of this chapter.

59. Annual reports by housing authorities and Land Clearance Commissions.) § 7. Each housing authority or Land Clearance Commission shall make an annual report to the State Housing Board of the use of the grant allocated to it. In its annual report to the Governor, the State Housing Board shall present a detailed statement regarding the fund of each body to which a grant has been made, and the uses to which the fund has been applied.

60. Reinvestment of funds arising from rental or sale.) § 8. No housing authority or land clearance commission shall reinvest or use any funds arising from the rental or sale of any property acquired with funds granted pursuant to this act¹ except with the approval of the State Housing Board.

¹ Sections 53-62 of this chapter.

61. Re-allocation upon change of boundaries.) § 9. Upon a change of the territorial boundaries of a body to which a grant has been made, such funds as remain from such grant shall be re-allocated on the basis of population.

61a. Failure or refusal to initiate projects—Recovery of state funds.) § 9a. In the event that any housing authority or land clearance commission has failed or refused to initiate any project or projects for which it has received grants of State funds under the provisions of this Act or "An Act to promote the improvement of housing," approved July 26, 1945,¹ and the State Housing Board, upon the basis of an investigation, is convinced that such housing authority or land clearance commission is unable or unwilling to proceed thereon, the Board may direct the housing authority or land clearance commission to transfer to the Board the balance of the State funds then in the possession of such agency, and upon failure to do so within thirty days after such demand, the Board shall institute a civil action for the recovery thereof, which action shall be maintained by the Attorney General of the State of Illinois or the state's attorney of the county in which the housing authority or land clearance commission has its area of operation.

Any officer or member of any such housing authority or land clearance commission who refuses to comply with the demand of the State Housing Board for the transfer of State funds as herein provided shall be guilty of a misdemeanor, and, upon conviction therefor, shall be fined not less than one thousand dollars (\$1,000.00) nor more than five thousand dollars (\$5,000.00), or be imprisoned in the county jail for not less than thirty (30) days nor more than one year (1) year, or be both so fined and imprisoned in the discretion of the court.

All State funds recovered by the State Housing Board pursuant to this section shall forthwith be paid into the State Treasury. Added by act approved Aug. 3, 1949. L.1949, p. 1024.

1 Laws 1945, p. 946.

62. Repeal.) § 10. "An Act to promote the improvement of housing", approved July 26, 1945,¹ is repealed. The repeal of said Act shall not affect the validity of the organization, acts, contracts, proceedings, conveyances and transactions of housing authorities and land clearance commissions done or performed thereunder prior to the effective date of this Act,² and all such acts, contracts, proceedings, conveyances and transactions, done or performed thereunder, and the organization of such authorities and land clearance commissions are ratified affirmed and declared valid and legal in all respects. Grants paid to such housing authorities and land clearance commissions under the act herein repealed may be used by such authorities and commissions for the purposes for which such grants were made, and all or any portion thereof which remains unexpended and unobligated may, in addition, be used in the manner authorized by Section 22 of the "Blighted Areas Development Act of 1947", enacted by the 65th General Assembly,³ or, with the approval of the State Housing Board, for any purpose or purposes authorized by this Act.

1 Sections 51, 52 of this chapter.

2 Sections 53-62 of this chapter.

3 Section 84 of this chapter.

BLIGHTED AREAS REDEVELOPMENT ACT OF 1947

AN ACT in relation to the eradication and redevelopment of slum and blighted areas and for the development and redevelopment of blighted vacant areas; to provide for the creation of instrumentalities to aid in the accomplishment of this purpose, and to define the rights, powers and duties of such instrumentalities and of political subdivisions and municipal corporations in connection therewith; and to make provision for financial assistance from the federal government, or any agency or instrumentality thereof, the State of Illinois and municipal corporations therein, to provide for procuring funds from other sources in aid of any of the purposes of the Act, to issue bonds and other obligations and to give security for the payment thereof, and to provide that such bonds hereunder shall be legal investments. Approved July 2, 1947. L.1947, p. 1072; title as amended by act approved July 13, 1955. L. 1955, p.—, S.B.No. 617.

Be it enacted by the People of the State of Illinois, represented in the General Assembly:

63. Short title.) § 1. This Act¹ shall be known and may be cited as the "Blighted Areas Redevelopment Act of 1947."

1 Sections 63-91 of this chapter.

Validity. P. ex rel. Touhy v. City of Chicago, 399-551, 78 N.E.2d 285.

64. Legislative finding and declaration.) § 2. It is hereby found and declared (a) that there exist in many urban communities within this State slum and blighted areas, as defined herein; (b) that such slum and blighted areas contribute to the development and cause an increase in and spread of disease, crime, infant mortality and juvenile delinquency, and constitute a menace to the health, safety, morals, and welfare of the residents of the State; that these conditions necessitate excessive and disproportionate expenditures of public funds for crime prevention and

punishment, public health and safety, fire and accident protection, and other public services and facilities and constitute a drain upon the public revenue and continue to impair the efficient, economical and indispensable governmental functions of the municipalities embracing such areas, as well as of the State; and (c) that in order to promote and protect the health, safety, morals and welfare of the public it is necessary to provide for the eradication and elimination of slum and blighted areas and the construction of redevelopment projects thereon, and that the eradication and elimination of such areas and the construction of redevelopment projects financed by private capital, with limited financial assistance from governmental bodies, in the manner provided in this Act are hereby declared to be a public use essential to the public interest.

It is also found and declared (a) that there exist in many communities within this State areas of platted or unplatted land which are predominantly open and which, by reason of obsolete platting, diversity of ownership, deterioration of structures or site improvements, or taxes and special assessment delinquencies usually exceeding the fair value of the land, are unmarketable in fact for housing or other economic purposes, and which otherwise substantially impair or arrest the sound growth of communities; (b) that the inability to market and develop such predominantly open areas constitutes a blight upon communities by preventing the construction of critically needed residential housing or other appropriate development; (c) that the retardation of housing and other essential community development and redevelopment projects is a direct and immediate result of such blighted vacant areas and that the existence of such areas constitutes a menace to the public health, safety, welfare and morals by promoting the creation and continuation of slum and blighted areas, as herein defined, with their attendant evils of disease, crime, infant mortality and juvenile delinquency; (d) that in order to promote and protect the health, safety, morals and welfare of the residents of this State, it is essential that such open areas be made available for development for residential or other use; and (e) that the acquisition of such predominantly open land and the development or redevelopment thereof by private capital, with limited financial assistance from governmental bodies, in the manner provided by this Act, is hereby declared to be a public use essential to the public interest. As amended by act approved June 30, 1955. L. 1955, p.—, S. B. No. 586.

65. Definitions.) § 3. The following terms, wherever used or referred to in this Act¹ shall have the following respective meanings, unless in any case a different meaning clearly appears from the context:

(a) "Commission" means a Land Clearance Commission created pursuant to this Act or heretofore created pursuant to "An Act to promote the improvement of housing," approved July 26, 1945.²

(b) "Commissioner" or "Commissioners" shall mean a Commissioner or Commissioners of a Land Clearance Commission.

(c) "State Housing Board" or "Board" shall mean the State Housing Board created pursuant to "An Act in relation to housing," approved July 12, 1933, as amended.³

(d) "Authority" or "housing authority" shall mean a housing authority organized in accordance with the provisions of "An Act in relation to housing authorities," approved March 19, 1934, as amended.⁴

(e) "Municipality" shall mean a city, village or incorporated town.

(f) "Presiding officer" shall mean the presiding officer of the board of a county, or the mayor or president of a city, village or incorporated town, as the case may be, for which a Land Clearance Commission is created.

(g) The term "governing body" shall mean the council or the president and board of trustees of any city, village or incorporated town, as the case may be, and the county board of any county.

(h) "Area of operation" shall mean (1) in the case of a Land Clearance Commission created for a municipality, the area within the territorial boundaries of said municipality; and (2) in the

case of a county shall include the areas within the territorial boundaries of all municipalities within such county, except the area of any municipality located therein in which there has been created a Land Clearance Commission. When a Land Clearance Commission is created for a municipality subsequent to the creation of a County land clearance commission whose area of operation previously included such municipality, the area of operation of the County land clearance commission shall not thereafter include the territory of such municipality, but the County land clearance commission may continue any redevelopment project previously commenced in such municipality.

(i) "Real property" shall include lands, lands under water, structures, and any and all easements, franchises and incorporeal hereditaments and estates, and rights, legal and equitable, including terms for years and liens by way of judgment mortgage or otherwise.

(j) "Slum and Blighted Area" means any area of not less in the aggregate than two (2) acres located within the territorial limits of a municipality where buildings or improvements, by reason of dilapidation, obsolescence, overcrowding, faulty arrangement or design, lack of ventilation, light and sanitary facilities, excessive land coverage, deleterious land use or layout or any combination of these factors, are detrimental to the public safety, health, morals or welfare.

(k) "Slum and Blighted Area Redevelopment Project" means a project involving a slum and blighted area as defined in subsection (j) of this section.

(l) "Blighted Vacant Area Redevelopment Project" means a project involving (1) predominantly open platted urban or suburban land which because of obsolete platting, diversity of ownership, deterioration of structures or of site improvements, or taxes or special assessment delinquencies exceeding the fair value of the land, substantially impairs or arrests the sound growth of the community and which is to be developed for residential or other use, provided that such a project shall not be developed for other than residential use unless the area, at the time the Commission adopts the resolution approving the plan for the development of the area, is zoned for other than residential use and unless the Commission determines that residential development thereof is not feasible, and such determination is approved by the presiding officer and the governing body of the municipality in which the area is situated and by the State Housing Board, or (2) open unplatted urban or suburban land to be developed for predominantly residential uses, or (3) a combination of projects defined in (1) and (2) of this subsection (l).

(m) "Redevelopment Project" means a "Slum and Blighted Area Redevelopment Project" or a "Blighted Vacant Area Redevelopment Project", as the case may be, as the case may be,⁵ as designated in the determination of the Commission pursuant to Section 13 of this Act,⁶ and may include such additional area of not more in the aggregate than one hundred sixty (160) acres (exclusive of the site of any abutting Slum and Blighted Area Redevelopment Project or Blighted Vacant Area Redevelopment Project) located within the territorial limits of the municipality, abutting and adjoining in whole or in part a Slum and Blighted Area Redevelopment Project or Blighted Vacant Area Redevelopment Project, which the land clearance commission deems necessary for the protection and completion of such redevelopment project or projects and of the site improvements to be made therein and which has been approved by the State Housing Board and the governing body of the municipality in which the area is situated, but the land clearance commission as to such additional area shall have power only to make studies, surveys and plans concerning services to be performed by the municipality or others, including the extension of project streets and utilities, the provision of parks, playgrounds or schools, and the zoning of such peripheral areas.

(n) "Match" and any other form of said word when used with reference to the matching of moneys means match on a dollar for

dollar basis. As amended by act approved June 30, 1955. L.1955, p. —, S.B.No. 586.

1 Sections 63-91 of this chapter.

2 Laws 1945, p. 946.

3 Chapter 32, § 504 et seq.

4 Section 1 et seq. of this chapter.

5 So in enrolled bill. Second phrase "as the case may be" probably should be omitted.

6 Section 75 of this chapter

66. Resolution determining need for Commission in municipality or county. § 4. The governing body of any municipality having more than 25,000 inhabitants, as determined by the last preceding Federal census, or of any county of this State, may, by resolution, determine that there is need for a Commission in such municipality or county to exercise the powers and authority prescribed by this Act.¹ Upon adoption, such resolution shall be forwarded to the State Housing Board together with a statement of reasons or findings supporting such resolution. The Board shall thereupon issue a certificate to the presiding officer of such municipality or county for the creation of such Commission if it shall find that one or more slum or blighted areas exist in such municipality or county. In determining whether slum or blighted areas exist, the Board may take into consideration the degree of over-crowding, the percentage of land coverage, the light, air, space and access available to the inhabitants of dwelling accommodations, the size and arrangement of the rooms, the sanitary facilities, the age and condition of the buildings and the extent to which conditions exist in such buildings which endanger the life, health, safety, morals and welfare of the occupants thereof.

1 Sections 63-91 of this chapter.

67. Land Clearance Commission—Appointment of members—Qualifications—Vacancies—Commissions created under section 52. § 5. As soon as possible after the issuance of a certificate by the State Housing Board the presiding officer of such municipality or county shall appoint, with the approval of the Board, five commissioners with initial terms of one, two, three, four and five years. Upon the approval by the Board of such appointments, the Board shall cause a certificate of such appointments and of its approval thereof to be filed in the office in which deeds of property in the area of operation are recorded, and upon such filing the persons so appointed and approved shall be fully constituted as a Land Clearance Commission.

At the expiration of the term of each such commissioner, and of each succeeding commissioner, or in the event of a vacancy, the presiding officer shall appoint a commissioner, subject to the approval of the Board as aforesaid, to hold office, in the case of a vacancy for the unexpired term, or in the case of expiration for a term of five years, or until his successor shall have been appointed and qualified. Each such appointment shall be effective upon the filing by the Board of a certificate of appointment and of its approval thereof, as hereinbefore provided.

Every commissioner shall be a resident of the area of operation of the Commission. Any public officer shall be eligible to serve as a commissioner, and the acceptance of appointment as such shall not terminate nor impair his other public office, the provision of any statute to the contrary notwithstanding; but no member of the State Housing Board shall be eligible to serve as a commissioner, nor shall more than two public officers be commissioners of the same Commission at one time.

Any Land Clearance Commission heretofore created pursuant to "An Act to promote the improvement of housing" approved July 26, 1945,¹ shall be deemed lawfully and validly created under the terms of this Act,² and shall have all the authority and exercise the same powers, and be subject to the same duties as herein prescribed for Land Clearance Commissions; and nothing herein contained shall affect or impair the validity of any act or proceeding done or performed by such Land Clearance Commission under the aforesaid Act of 1945.

1 Sections 51, 52 of this chapter repealed.

2 Sections 63-91 of this chapter.

68. Designation as Land Clearance Commission of municipality or county.) § 6. A Commission shall be designated as the Land Clearance Commission of the city, village, incorporated town or county for which it has been created.

69. Removal of commissioners.) § 7. Whenever it shall appear to the State Housing Board that a commissioner is incompetent or guilty of neglect of duty or malfeasance, the Board shall require such commissioner to appear before it to show cause why he should not be removed from office. At least fifteen days' written notice of such a hearing shall be given to the commissioner whose conduct is in question and to all other members of the Commission. At the hearing the commissioner may be represented by counsel and may appear personally and present such pertinent evidence as he wishes or as the Board may request.

If after a hearing the Board determines that a commissioner has been incompetent or has been guilty of neglect of duty or malfeasance, it shall remove such commissioner from the Commission within seven days, and there shall thereupon be deemed to be a vacancy of such office.

70. Interest by commissioner or employee in property or contract forbidden.) § 8. No commissioner or employee of a Commission shall acquire any interest direct or indirect in any redevelopment project or in any property included or planned to be included in any redevelopment project, nor shall he have any interest direct or indirect in any contract or proposed contract in connection with any such project. If any commissioner or employee of any Commission owns or controls an interest direct or indirect in any property included in any redevelopment project, he shall disclose the same in writing to the Commission and such disclosure shall be entered upon the minutes of the Commission.

71. Officers—By-laws—Rules—Quorum—Assistants—Compensation—Insurance coverage for employees—Premium payments.) § 9. As soon as possible after the creation of a Commission the commissioners shall organize for the transaction of business by choosing from among their number a chairman, a vice-chairman and a secretary and by adopting by-laws and rules and regulations suitable to the purposes of this Act.¹ Three commissioners shall constitute a quorum for the transaction of the business thereof. The commission may appoint such professional, technical and clerical assistants as are necessary for the proper performance of its duties, provided the approval of both the State Housing Board and the presiding officer of the municipality or county which initiated the creation of such Commission is obtained both as to any such appointments and as to the amount of the salaries, fees or other compensation to be paid. Such salaries, fees or other compensation, when so approved, shall be paid out of the separate fund referred to in Section 21 hereof.²

The Commission may contribute to the charges or premium payments for group life, annuity and retirement insurance coverage for its employees, to be underwritten by any legal reserve life insurance company authorized to do business in the State of Illinois, which may be covered in one or more policies, and which may include provisions for past service credits, provided that premium payments for future service benefits shall be made by the Commission and the employees, but the part of each premium payment to be charged against the participating employees for such future service benefits shall not be less than the part of that premium to be charged against and paid by the Commission. Prior to contracting for any policy of insurance authorized in the preceding sentence hereof, the form and contents of the policy or policies of insurance, the charges or premiums to be paid therefor, and the part of the charges or premiums to be paid by the employees and the part to be paid by the Commission, shall be approved by the Commission, the State Housing Board and the presiding officer of such municipality or county. That part of any charge or premium paid by the Commission shall be paid out of the separate fund referred to in Section 21 hereof.

The concurring vote of three commissioners shall be required for the exercise of any of the powers granted by this Act. As

amended by act approved July 11, 1955. L.1955, p. —, S.B. No. 647.

1 Section 63 et seq. of this chapter.

2 Section 83 of this chapter.

72. Compensation and expenses of Commissioners.) § 10. No commissioner shall receive any compensation, whether in form of salary, per diem allowances or otherwise, for or in connection with his services as such commissioner. Each commissioner, however, shall be entitled to reimbursement out of the separate fund referred to in Section 21¹ hereof, for any necessary expenditures in connection with the performance of his duties.

1 Section 83 of this chapter.

73. Commission to be municipal corporation—Powers.) § 11. A Commission shall be a municipal corporation and shall constitute a body both corporate and politic, exercising public and essential governmental functions, and having all the powers necessary or convenient to carry out and effectuate the purposes and provisions of this Act.¹ It may sue and be sued, and have a seal and alter the same at pleasure, have perpetual succession, make and execute contracts, deeds and other instruments necessary or convenient to the exercise of its powers, and make and from time to time amend and repeal by-laws, rules and regulations not inconsistent with this Act. In addition it shall have the following powers:

(a) To acquire slum and blighted areas and other areas which may constitute a redevelopment project as provided in this Act;

(b) To clear any such areas so acquired by demolition or removal of existing buildings and structures thereon; and to install, repair, construct or reconstruct streets, utilities and site improvements essential to the preparation of sites for use in accordance with a redevelopment plan;

(c) To convey real property so acquired for use in accordance with a redevelopment plan;

(d) To borrow money, to apply for and accept advances, loans, grants, contributions, gifts, services, or other financial assistance, from the United States of America or any agency or instrumentality thereof, the State, County, Municipality or other public body or from any sources, public or private, for or in aid of any of the purposes of this Act, and to secure the payment of any loans or advances by the issuance of bonds (as hereinafter defined), and by the pledge of any loan, grant, or contribution, or parts thereof, or the contracts therefor, to be received from the United States of America or any agency or instrumentality thereof, and to enter into and carry out contracts in connection therewith; to redeem its bonds at the redemption price established therein or to purchase them at less than the redemption price, all bonds so redeemed or purchased to be cancelled; provided that in no event shall any bonds issued by the Commission be payable except out of the revenues or funds specifically designated in this Act for such payment. Notwithstanding any other provision of this Act a Commission shall not borrow money from any source other than the United States of America or any agency or instrumentality thereof without obtaining approval of the State Housing Board and the governing body of the municipality. A Commission, notwithstanding the provisions of any other law, may include in any contract for financial assistance with the United States of America or any agency or instrumentality thereof for a redevelopment project, such conditions imposed pursuant to Federal law as the Commission may deem reasonable and appropriate and which are not inconsistent with the purposes of this Act or with the foregoing proviso; and

(e) To accomplish a combination of the foregoing to carry out a redevelopment plan.

In relation to the foregoing powers a Commission may investigate into living and housing conditions in its area of operation to determine the extent and location of slum and blighted areas and other areas which may constitute a redevelopment project as defined herein and to ascertain in which of such area or areas development or redevelopment should be undertaken, and in connection with any such investigation may conduct public hearings, take testimony and proof under oath on the subject matter of such

investigation, and cooperate with the planning agency of the municipality wholly or partially within its area of operation.

The Commission shall have power to make studies, surveys and plans preliminary to or concerning any projects which are permissible under this Act.

A Land Clearance Commission shall not be limited to one development or redevelopment project, but may have as many projects in process at any one time as it may deem necessary to accomplish the purposes of this Act.

A Commission shall have no power to build or operate housing on any real property acquired pursuant to this Act, other than to manage, operate and maintain existing housing or other buildings and improvements located thereon at the time of acquisition pending the demolition and removal of such buildings or improvements or the sale of any such buildings or improvements the demolition or removal of which is not deemed necessary to the redevelopment plan, and to use the rents and income to pay any expense in connection therewith. As amended by act approved July 13, 1955. L.1955, p. —, S.B.No. 617.

1 Sections 63 et seq. of this chapter.

74. Public hearings by Commission—Compelling production of evidence—records of municipality.) § 12. In making investigations herein authorized the Commission may hold public hearings. Any hearing may be conducted by the Commission or by a committee appointed by it, consisting of one or more members of the Commission, or by an employee or agent specially authorized by the Commission to conduct it. The Commission and any member, employee or agent thereof so designated shall have power to administer oaths, take affidavits, subpoena and require the attendance and testimony of witnesses and the production of books and papers pertaining to such investigation.

In case of contumacy or refusal to obey a subpoena issued to any person, the Circuit or Superior Court of the county in which such person resides or has his principal place of business, upon application by the Commission, shall have jurisdiction to issue to such person an order requiring such person to appear before the Commission or before any member, employee or agent thereof designated to conduct such hearing there to produce evidence, if so desired, or there to give testimony touching the matter under investigation and any failure to obey such order of the Court may be punished by said Court as a contempt thereof.

The officials of any city, village or town and the members of any zoning commission shall, when requested so to do by any member of the Commission, make available for inspection by the Commission or by any committee, employee or agent of the Commission, any and all records and data which they may have pertaining to an area which is then being investigated.

75. Determination that particular blighted area should be acquired—Approval by State Housing Board and governing body.) § 13. Whenever a Commission determines that a particular slum or blighted area, or any other area which may constitute a redevelopment project, as herein defined, should be acquired pursuant to the provisions of this Act,¹ such determination together with an accurate description of the area included in such determination and the date on which the determination was made shall be immediately set forth in the records of the Commission. Such determinations by a Commission may be made from time to time and need not all be made at one time. Each such determination shall be evidenced by a resolution adopted by the Land Clearance Commission.

The area of each such determination shall be specifically designated in the resolution as a "Slum and Blighted Area Redevelopment Project" or a "Blighted Vacant Area Redevelopment Project", according to the determination of the Commission; provided, that any determination made prior to the effective date of this amendatory Act and designated as a "redevelopment project" as required by the provisions of this section in force prior to such effective date shall constitute a determination that the project is a "Slum and Blighted Area Redevelopment Project" and shall not require the adoption of a new or amendatory resolu-

tion so describing the area involved in such determination. A certified copy of such resolution shall be delivered to the State Housing Board and to the governing body of the municipality in which the area is situated. No such determination shall be of any force or effect until such time as it has been approved by the State Housing Board and the governing body of the municipality in which the area is situated. As amended by act approved Aug. 3, 1949. L.1949, p. 997.

1 Sections 63-91 of this chapter.

76. Acquisition of real property—Condemnation proceedings.)

§ 14. Upon approval of the determination as provided in the preceding Section,¹ the Land Clearance Commission may proceed to acquire by gift, purchase or condemnation the fee simple title to all real property lying within the area included in the redevelopment project, including easements and reversionary interests in the streets, alleys and other public places lying within such area. If any such real property is subject to an easement the Commission, in its discretion, may acquire the fee simple title to such real property subject to such easement if it determines that such easement will not interfere with the consummation of a redevelopment plan. If any such real property is already devoted to a public use it may nevertheless be acquired, provided that no property belonging to the United States of America, the State of Illinois or any municipality may be acquired without the consent of such governmental unit and that no property devoted to a public use belonging to a corporation subject to the jurisdiction of the Illinois Commerce Commission may be acquired without the approval of the Illinois Commerce Commission. Each Land Clearance Commission is hereby vested with the power to exercise the right of eminent domain. Condemnation proceedings instituted by Land Clearance Commissions shall be in all respects in accordance with an Act entitled "An Act to provide for the exercise of the right of eminent domain," approved April 10, 1872, as heretofore or hereafter amended,² As amended by act approved June 30, 1955. L.1955, p. —, S.B.No. 586.

1 Section 75 of this chapter.

2 Chapter 47, § 1 et seq.

77. Contracts for removal of buildings—Advertisement for bids—Bond—Insurance.) § 15. When a Land Clearance Commission has acquired title to, and possession of, all or any part of the real property located within a redevelopment project pursuant to the provisions of this Act,¹ it may let contracts for the demolition or removal of buildings standing thereon and for the removal of any debris resulting therefrom. The Commission shall advertise for sealed bids for the doing of such work. The advertisement shall describe by street number or other means of identification the location of the buildings which are to be demolished or removed and shall state the time when and place where sealed bids for the doing of the work may be delivered to the Commission.

The advertisement shall be published once in a newspaper having a general circulation in the municipality in which the real property is situated at least twenty (20) days prior to the date named therein when time for receiving bids will expire. A contract for the doing of the work shall be let to the lowest responsible bidder, but the Commission may reject any and all bids received and readvertise for bids. Any contract entered into by the Commission pursuant to this Section shall contain provisions requiring the contractor to give bond in an amount equal to one-third of his bid price, but in no event in excess of Twenty-Five Thousand Dollars (\$25,000.00), conditioned for the faithful performance of the contract and requiring the contractor to furnish insurance of a character and amount to be determined by the Commission protecting the Commission and the municipality and their officers, agents and employees against any claims for personal injuries (including death) and property damage that may be asserted because of the doing of the work. The Commission may include in any advertisement and in the contract to be let pursuant thereto one or more buildings, or such group of buildings, as the Commission in its sole discretion may determine.

1 Sections 63-91 of this chapter.

78. Paving and improving streets—Sidewalks—Sewers and other facilities—Bids—Contract—Bond.) § 16. The Land Clearance Commission, if it sees fit so to do, may pave and improve streets in the area included in the redevelopment project, construct sidewalks and install or re-locate sewers, water pipes, and other similar facilities. The Commission shall advertise for sealed bids for the doing of the work referred to in this Section. The advertisement shall describe the nature of the work to be performed and shall state the time when and place where sealed bids for the doing of the work may be delivered to the Commission. The advertisement shall be published once in a newspaper having a general circulation in the municipality in which the redevelopment project is situated at least twenty (20) days prior to the date named therein when the time for receiving bids will expire. A contract for the doing of the work shall be let to the lowest responsible bidder, but the Commission may reject any and all bids received and re-advertise for bids. The contractor shall be required to enter into bond in an amount equal to one-third of the amount of his bid conditioned for the faithful performance of the contract. The sureties on any such bond and on any bond to be given pursuant to the provisions of Section 15¹ hereof shall be approved by the Chairman of the Land Clearance Commission.

¹ Section 77 of this chapter.

79. Streets and alleys—Parks, playgrounds and schools—Conveyances by Commission—Easements.) § 17. When the Commission has acquired title to, and possession of any or all real property in the area of a redevelopment project, the Commission (1) may convey to the municipality in which the project is located (for street or alley purposes) and without any monetary consideration therefor, such parts thereof as are to be laid out into streets or alleys; (2) with the approval of the State Housing Board may convey to that municipality or to any public body having jurisdiction over schools, parks or playgrounds in the area in which the project is situated such parts of such real property for use for parks, playgrounds, schools and other public purposes as the Commission may determine, and at such price or prices as the Commission and the proper officials of such public bodies may agree upon; and (3) with the approval of the State Housing Board, may grant easements for public utilities, sewers and other similar facilities, with or without consideration therefor.

80. Housing projects, conveyances by Commission to Housing Authority for—Occupancy preferences.) § 18. The Commission, with the approval of the State Housing Board and the governing body of the municipality in which the redevelopment project is located, may sell and convey not to exceed fifteen per cent (15%) of all the real property which is to be used for residential purposes in the area or areas of a redevelopment project or projects to a Housing Authority created under an Act entitled "An Act in relation to housing authorities," approved March 19, 1934, as amended,¹ having jurisdiction within the area of the redevelopment project or projects, to provide housing projects pursuant to said last mentioned Act; provided the State Housing Board determines that it is not practicable or feasible to otherwise relocate eligible persons residing in the area of the redevelopment project or projects in decent, safe and uncongested dwelling accommodations within their financial reach, unless such a housing project is undertaken by the Housing Authority, and provided further that first preference for occupancy in any such housing project developed by the Housing Authority on such real property shall be granted to eligible persons from the area included in the redevelopment project or projects that can not otherwise be relocated in decent, safe and uncongested dwelling accommodations within their financial reach.

Any real property sold and conveyed to a Housing Authority pursuant to the provisions of this Section shall be sold at its use value (which may be less than its acquisition cost), which represents the value at which the Commission determines such land should be made available in order that it may be redeveloped for the purposes specified in this Section.

¹ Sections 1-19 of this chapter.

80a. Housing projects, conveyances by Commission in municipality of over 500,000 to Housing Authority for.) § 18.1 A Commission created for a municipality having a population in excess of 500,000 as determined by the last preceding Federal or State census, with the approval of the State Housing Board and the governing body of the municipality in which the project is located, may sell and convey any part of the real property within the area of a slum and blighted area redevelopment project as defined in Subsection (k) of Section 3 hereof to a Housing Authority created under an Act entitled "An Act in relation to housing authorities," approved March 19, 1934, as amended,¹ having jurisdiction within the area of the redevelopment project or projects. Any real property sold and conveyed to a Housing Authority pursuant to the provisions of this Section shall be for the sole purpose of resale pursuant to the terms and provisions of Section 5 of an Act entitled "An Act to facilitate the development and construction of housing, to provide governmental assistance therefor, and to repeal an Act herein named," approved July 2, 1947,² to a nonprofit corporation, or nonprofit corporations, organized for the purpose of constructing, managing and operating housing projects and the improvement of housing conditions, including the sale or rental of housing units to persons in need thereof. No sale shall be consummated pursuant to this Section unless the nonprofit corporation, to which the Housing Authority is to resell, obligates itself to use the land for the purposes designated in the approved plan referred to in Section 19.1 hereof³ and to commence and complete the building of the improvements within the periods of time which the Commission fixes as reasonable and unless the Commission is satisfied that the nonprofit corporation will have sufficient moneys to complete the redevelopment in accordance with the approved plan.

Any real property sold and conveyed to a Housing Authority pursuant to the provisions of this Section shall be sold at its use value (which may be less than its acquisition cost), which represents the value at which the Commission determines such land should be made available in order that it may be developed or redeveloped for the purposes specified in the approved plan. Added by act approved June 30, 1955. L.1955, p. —, S.B.No. 586.

¹ Ill. Rev. Stat. '55-139

² Sections 1-19 of this chapter.

³ Section 57 of this chapter.

⁴ Section 81a of this chapter.

81. Sale of real property within area of redevelopment project.) § 19. The Commission may at such times as it deems expedient transfer and sell the fee simple title, or such lesser estate as the Commission may have acquired, to all or any part of the real property within the area of a redevelopment project not disposed of in accordance with Sections 17, 18 and 18.1 hereof to (1) Neighborhood Redevelopment Corporations operating under the "Neighborhood Redevelopment Corporation Law," approved July 9, 1941, as amended,¹ (2) Insurance Companies operating under Section 125 of the "Illinois Insurance Code," approved June 29, 1937, as amended,² or (3) to any individual, association, or corporation, organized under the laws of this State or of any other State or country, which may legally make such investments in this State, including foreign and alien insurance companies, as defined in Section 2 of said "Illinois Insurance Code."³ To assure that the real property so sold is used in accordance with the approved plan referred to in Section 19.1 hereof,⁴ the Commission shall inquire into and satisfy itself concerning the financial ability of the purchaser to complete the redevelopment in accordance with the approved plan and shall require the purchaser to execute in writing such undertakings as the Commission may deem necessary to obligate the purchaser: (1) to use the land for the purposes designated in the approved plan, (2) to commence and complete the building of the improvements within the periods of time which the Commission fixes as reasonable, and (3) to comply with such other conditions as are necessary to carry out the purposes of this Act. Any such area may be sold either as an entirety or in such parcels as the Commission shall deem expedient. It shall not be necessary that title be ac-

quired to all real property within the area of a redevelopment project before the sale of a part thereof may be made as provided herein. Any real property sold pursuant to the foregoing provisions of this Section shall be sold at its use value (which may be less than its acquisition cost), which represents the value at which the Commission determines such land should be made available in order that it may be developed or redeveloped for the purposes specified in the approved plan.

Any real property lying within the area of a redevelopment project which has not been sold by the Commission within five years after the Commission has acquired title to all the real property within the area of that redevelopment project, shall be forthwith sold by the Commission at public sale for cash to the highest bidder obligating himself in the manner set forth in the preceding paragraph of this Section to redevelop the property in accordance with the approved plan. Notice of such sale and of the place where the approved plan may be inspected shall be published once in a newspaper having a general circulation in the municipality in which the real property is situated at least twenty (20) days prior to the date of such public sale, and shall contain a description of the real property to be sold.

The Commission may reject the bids received if, in the opinion of the Commission, the highest bid does not equal or exceed the use value (as hereinabove defined) of the land to be sold. At the expiration of six (6) months from the date of rejecting bids, the Commission shall again advertise for sale any real property then remaining unsold. Each publication shall be subject to the same requirements and conditions as the original publication. As amended by act approved June 30, 1955. L.1955, p. —, S.B.No. 586.

1 Sections 79, 80, 80a of this chapter.

2 Chapter 73, § 613 et seq.

3 Chapter 73, § 614.

4 Section 81a of this chapter.

81a. Preparation and approval of plan for development or redevelopment before conveyance—Submission to State Housing Board and municipal governing body.) § 19.1 Prior to making a sale or conveyance of any part of the real property within the area of a redevelopment project pursuant to any of the foregoing sections of this Act,¹ the Commission shall prepare and approve a plan for the development or redevelopment of the project area and shall submit the same to the State Housing Board and to the governing body of the municipality in which the real property is situated for their approval. The Commission shall not make a sale or conveyance of any part of the real property in the project area until such time as the plan has been approved by the State Housing Board and by the governing body of the municipality in which the real property is situated. Added by act approved June 30, 1955. L.1955, p. —, S.B.No. 586.

82. Approval of sales by Land Clearance Commission—Deeds.)

§ 20. The sale of any real property by a Land Clearance Commission where required to be made for a monetary consideration, except public sales as provided in the last paragraph of Section 19,¹ shall be subject to the approval of the State Housing Board and the governing body of the municipality in which the real property is located.

All deeds of conveyances shall be executed in the name of the Land Clearance Commission by the Chairman and Secretary of the Commission and the seal of the Commission shall be attached thereto. Any deed of conveyance by the Commission may provide such restrictions as are required by the plan for redevelopment and the building and zoning ordinances, but no deed of conveyance either by the Commission or any subsequent owner shall contain a covenant running with the land or other provision prohibiting occupancy of the premises by any person because of race, creed or color.

1 Section 81 of this chapter.

83. Grants in aid of redevelopment projects—Application—Amount to be matched by municipality.) § 21. Any Land Clearance Commission may apply to the State Housing Board for the grant of a sum from the amount appropriated for grants under

this Act¹ to aid and assist in carrying out redevelopment projects. Every application shall state therein the amount applied for and if made by a Land Clearance Commission whose area of operation includes more than one municipality shall state separately the amount to be expended in each municipality on behalf of which the application is made and each such separate amount shall be treated as a separate application. Every application shall have attached thereto a certified copy of a resolution of the governing body of the municipality within which the amount of such grant is to be expended that in the event the application is approved in whole or in part such municipality will endeavor to make available and pay to the Land Clearance Commission to be deposited by it in the fund hereinafter referred to an amount at least equal to the amount so approved by the State Housing Board. No application shall be considered which does not comply with the foregoing requirements. The State Housing Board shall not approve any application for a grant within a period of one hundred twenty (120) days after the effective date of this Act. Upon the expiration of said one hundred twenty (120) day period, the Board shall consider all applications for grants presented to it within said period of time, the same as if all such applications had been presented at the same time. The Board shall review all applications for grants and shall determine the actual needs of any applicant therefor. In determining such needs, it shall consider the prevalence of slum and blighted areas and such other areas as may constitute a redevelopment project in the area of operation of the applicant, the number of unsafe, unsanitary and congested dwelling units in the areas of operation of the respective applicants for grants, and the extent and scope of the degenerative conditions described in Section 2² prevailing in any such area as a result of the existence therein of slum and blighted areas or the necessity for the development or redevelopment of predominantly open land for sound community growth. The State Housing Board may deny any such application if it determines that no need therefor exists, or it may approve the application in whole or in part in accordance with its determination of need. If the appropriation made for this Act is insufficient to provide grants to all applicants therefor on the basis of their needs as determined by the Board, the Board may determine and select the areas of operation for which grants shall be made hereunder on the basis of the relative needs of the applicants for slum and blight eradication. No application shall be approved in whole or in part unless the Board is satisfied that the amount approved will be properly employed by the Land Clearance Commission in the acquisition of a redevelopment project or projects and the development or redevelopment thereof. Whenever the State Housing Board approves any application in whole or in part, it shall immediately allocate and set aside for use by that Land Clearance Commission from the appropriation to be provided for this Act the amount so approved, and the Chairman of the State Housing Board shall thereupon notify the Land Clearance Commission and the presiding officer of the municipality within which such allocation is to be expended of the amount of such allocation. If the aggregate of the amounts so allocated and set aside by the State Housing Board pursuant to applications for grants presented within said one hundred twenty (120) day period does not exhaust said appropriation, the State Housing Board shall consider applications for grants presented subsequent to said one hundred twenty (120) day period in the manner aforesaid in the order of their presentation. Upon the expiration of eighteen (18) months after the effective date of this Act that part of any allocation made to a Land Clearance Commission which has not been previously paid over to that Commission pursuant to the provisions hereof shall lapse and the State Housing Board may thereafter, from time to time, use said monies in making allocations to Land Clearance Commissions in the manner herein provided the same as if said monies had never been allocated.

No part of the amount allocated and set aside to a Land Clearance Commission shall be paid out to that Commission except to the extent necessary to match monies paid to that Commission by the municipality for whose benefit the allocation was made, and then only in an amount equal to, but not exceeding, the amount

so paid to the Commission by the municipality. Whenever and as often as a municipality for whose benefit an allocation has been made by the State Housing Board shall pay to the Land Clearance Commission an amount of money to be matched out of funds so allocated, the presiding officer of such municipality shall notify the State Housing Board in writing of the amount so paid to the Land Clearance Commission and the Chairman of the Housing Board shall thereupon certify to the Auditor of Public Accounts for payment to the Land Clearance Commission from the appropriation to be made available for this Act an amount equal to the payment so made by the municipality and such amount shall thereupon be paid to the Land Clearance Commission from said appropriation. Any amount so paid to a Land Clearance Commission shall be charged by the State Housing Board against the allocation made to that Commission. The aggregate of the amounts so certified by the Chairman of the State Housing Board to the Auditor of Public Accounts for payment to any Land Clearance Commission shall not exceed the amount of the allocation or allocations previously made to that Land Clearance Commission. All amounts paid to a Land Clearance Commission by a municipality and by the State pursuant to the provisions of this Section shall be deposited in a separate fund by the Commission and shall be used solely for the purposes specified in Sections 9, 10, 14, 15, and 16 hereof³ and such other purposes as are authorized by this Act. As amended by act approved Aug. 3, 1949. L 1949, p. 997.

1 Sections 63-91 of this chapter.

2 Section 64 of this chapter.

3 Sections 71, 72, 76, 77, and 78 of this chapter.

Application to State Housing Board under act relating to development of housing, see section 54 of this chapter.

Validity. *Cremerv. Peoria Housing Authority*, 399-579, 78 N.E.2d 276.

84. Unexpended part of grant to Housing Authority—Use as additional allocation to Land Clearance Commission. § 22. If an allocation from the monies to be appropriated for this Act¹ is made and set aside to a Land Clearance Commission having the same area of operation as a Housing Authority and that Housing Authority has received a grant of state funds from the appropriation made in "An Act to promote the improvement of housing," approved July 26, 1945,² then all or any portion of the unexpended and unobligated part of any such grant to the Housing Authority may be used by the State Housing Board, with the consent of the Housing Authority, as an additional allocation to the Land Clearance Commission to be used by the State Housing Board in matching monies paid by the municipality into the separate fund referred to in Section 21 hereof,³ but only to the extent that the monies paid by the municipality and deposited in said separate fund exceed the amount of the allocation made to that Land Clearance Commission under Section 21 hereof.

1 Sections 63-91 of this chapter.

2 Sections 51, 52 of this chapter, repealed.

3 Section 83 of this chapter.

85. Cooperation with Land Clearance Commission in matter of parks, playgrounds, water, sewer or drainage facilities.) § 23. For the purpose of aiding and cooperating with Land Clearance Commissions in accomplishing the objectives of this Act¹ any state public body (city, village, incorporated town, county, municipal corporation, commission, district, authority, or other subdivision or public body of the State) may cause parks, playgrounds, water, sewer or drainage facilities to be furnished adjacent to or in connection with a redevelopment project; and, any municipality within operation of a Land Clearance Commission may assign or loan any of its employees to that Land Clearance Commission in aid of the performance of the work of such Commission, and provide necessary office space, equipment or other facilities for the Land Clearance Commission.

1 Sections 63-91 of this chapter.

86. Bonds of municipality—Taxes to pay bonds—Other funds—Payments not matched by state funds—Donations.) § 24. Every municipality is authorized and empowered to incur indebted-

ness and issue bonds in such amount or amounts as the governing body of the municipality deems necessary for the purpose of raising funds to be paid to a Land Clearance Commission whose area of operation includes that municipality in aid of the eradication and elimination of slum and blighted areas and the acquisition, development or redevelopment of any other areas which may constitute a redevelopment project within that municipality. The ordinance authorizing the issuance of such bonds shall specify the total amount of bonds to be issued, the form and denomination of the bonds, the date they are to bear, the place at which they are payable, the date or dates of maturity, which shall not be later than twenty (20) years after the date the bonds bear the rate of interest which shall not exceed four per centum (4%) per annum and the dates on which interest is payable. The bonds shall be executed by such officials as may be provided in the ordinance authorizing their issue. They may be made registerable as to principal and may be made callable on any interest payment date at par and accrued interest after notice has been given at the time and in the manner provided in the bond ordinance. The bond shall remain valid even though one or more of the officers executing the bonds ceases to hold his or their offices before the bonds are delivered.

The bonds shall be sold to the highest and best bidder at not less than their par value and accrued interest. The municipality shall, from time to time as bonds are to be sold, advertise for proposals to purchase the bonds. Each such advertisement may be published in such newspapers and journals as the governing body of the municipality may determine but must be published at least once in a newspaper having a general circulation in the municipality at least ten days prior to the date of the opening of the bids. The municipality may reserve the right to reject any and all bids and readvertise for bids.

The ordinance authorizing the bonds shall prescribe all the details thereof and shall provide for the levy and collection of a direct annual tax upon all the taxable property within the municipality sufficient to pay the principal thereof and interest thereon as it matures. This tax shall be in addition to and exclusive of the maximum of all other taxes authorized to be levied by the municipality. Tax limitations provided by other statutes of this State shall not apply to taxes levied for payment of these bonds. A certified copy of the bond ordinance shall be filed with the County Clerk of the county in which the municipality or any portion thereof is situated and shall constitute the authority for the extension and collection of such taxes.

If there is no default in payment of the principal or interest upon the bonds, and if after setting aside a sum of money equal to the amount of interest that will accrue on the bonds and a sum of money equal to the amount of principal that will become due thereon within the next six (6) months' period, the treasurer and comptroller, if there is a comptroller, of the municipality shall use the money available from the proceeds of the taxes levied for the payment of the bonds in calling them for payment; if by their terms they are subject to redemption. A municipality may provide in the bond ordinance that whenever the municipality is not in default in payment of the principal or interest on the bonds and has set aside the sums of money provided in this paragraph for interest accruing and principal maturing within the next six (6) months' period, the money available from the proceeds of taxes levied for the payment of these bonds shall be used first in the purchase of the bonds at the lowest price obtainable, but not to exceed their par value and accrued interest, after sealed tenders for their purchase have been advertised for as may be directed by the corporate authorities thereof.

Bonds called for payment and paid or purchased under this Section shall be marked paid and cancelled.

Whenever any bonds are purchased or redeemed and cancelled, the taxes thereafter to be extended for payment of the principal of and interest on the remainder of the issue shall be reduced in an amount equal to the principal of and the interest that would have thereafter accrued upon the bonds so cancelled. A resolution shall be adopted by the corporate authorities of the municipality finding these facts. A certified copy of this resolution shall be filed with the County Clerk of the county in which the municipality, or any portion thereof, is situated, whereupon the County

Clerk shall reduce and extend such tax levies in accordance therewith.

The ordinance may provide for the creation of a sinking fund to consist of the proceeds of taxes levied for the payment of the principal of and interest upon these bonds. This fund shall be faithfully applied to the purchase or payment of the bonds, and interest thereon, issued pursuant to the provisions of this Act.¹

Bonds issued by a municipality for the purposes herein set forth shall not be in excess of any existing statutory limitation on municipal indebtedness, nor shall any municipality by the issuance of the bonds provided for in this Act be allowed to become indebted in any manner or for any purpose to an amount including existing indebtedness in the aggregate exceeding five per centum (5%) on the value of taxable property therein to be ascertained by the last assessment for State and County taxes previous to the incurring of such indebtedness.

No ordinance providing for the issuance of such bonds shall be effective until it has been submitted to referendum of, and approved by, the electors of that municipality in accordance with the provisions of Section 17—1 and 17—2 of the "Revised Cities and Villages Act", approved August 15, 1941, as amended.²

In addition to the power to issue bonds as herein provided, every municipality is authorized and empowered to appropriate and pay to the Land Clearance Commission, whose area of operation includes that municipality, available funds for the eradication and elimination of slum and blighted areas in that municipality in the manner provided in this Act, including the proceeds of bonds issued pursuant to the corporate powers specified in Section 23—103.1 of the "Revised Cities and Villages Act," approved August 15, 1941, as amended.³

A municipality may make payments to a Land Clearance Commission for the purposes specified in this Act even though such payments are not to be matched by state funds.

Every municipality is authorized to accept donations, contributions, capital grants, or gifts, from individuals, associations, corporations and the United States of America, or any agency or instrumentality thereof (including the Housing and Home Finance Agency), and to pay the same into the separate fund of the Land Clearance Commission whose area of operation includes such municipality.

Any municipality which has issued bonds pursuant to this section may by ordinance authorize the use of the bond proceeds, or any portion thereof, by a land clearance commission for the additional objectives and powers authorized by this amendatory Act. As amended by act approved Aug. 3, 1949. L.1949, p. 997.

¹ Sections 63—91 of this chapter.

² Chapter 24, . § 17—1, .17—2.

³ Chapter 24, .§ 23—103.1.

87. Proceeds of sale of lands may be used in other blighted areas—Completion of project—Repayment of unexpended funds.)

§ 25. With the approval of the State Housing Board and the governing body of the municipality, a Land Clearance Commission may use any of the funds arising from the sale of any property acquired by the use of the separate fund herein provided for in furtherance of any of the purposes of this Act in such municipality in the manner provided in this Act.¹ Upon a certificate presented by a Land Clearance Commission to the State Housing Board to the effect that such Commission has completed any project undertaken by it under this Act and that it has no other or further duties to perform in its area of operation, the State Housing Board shall require the Land Clearance Commission to repay to the State of Illinois and to the municipality included in the area of its operation any unexpended and unobligated funds of the Commission, in the proportion in which grants were made to such Commission by the State and the municipality, including therein grants, if any, made by the State to the Commission pursuant to any appropriations for slum and blight eradication, land clearance or other authorized purpose. Grants made pursuant to Section 22² shall be considered as grants made by the State. As amended by act approved Aug. 3, 1949. L.1949, p. 997.

¹ Sections 63—91 of this chapter.

² Section 84 of this chapter.

87a. Dissolution of Land Clearance Commission—Transfer of funds.) § 25a. In the event of the dissolution of any Land Clearance Commission organized under the provisions of this Act¹ or "An Act to promote the improvement of housing", approved July 26, 1945,² the funds of such Commission which are or have been derived from grants made by the State of Illinois shall be transferred to the State Treasury. Added by act approved July 9, 1951. L.1951, p. 1136.

¹ Section 63 et seq. of this chapter.

² Sections 51, 52 of this chapter, repealed.

88. Accounts—Reports—Information—Investigation of conditions.)

§ 26. The State Housing Board may, in its discretion, prescribe methods and forms for keeping accounts, records and books to be used by a Commission, and prescribe accounts to which particular outlays and receipts shall be entered, charged, or credited. The State Housing Board may require a Commission to file periodical reports not oftener than quarterly covering its operations and activities in a form prescribed by the State Housing Board and may, from time to time, require specific answers to questions upon which the State Housing Board may desire information. Copies of all such reports shall be submitted to the governing body of the municipality or county, as the case may be, of the area of operation of the Commission.

The State Housing Board or governing body of the municipality or county which initiated the creation of a Land Clearance Commission may investigate the conditions and affairs of the Commission, its dealings, transactions or relationships, and may through its members or employees examine its books, contracts, records, documents and papers.

In its annual report to the Governor the State Housing Board shall present a detailed statement regarding the fund of each Commission to which a grant has been made and the uses to which such fund has been applied.

88.1 Commission may issue bonds—No personal liability—Negotiability—Suit, actions or proceedings.)

§ 26.1 (a) A Commission shall have power to issue bonds from time to time in its discretion to procure funds for any of its corporate purposes, including the payment of principal and interest upon any advances for surveys and plans for redevelopment projects. A Commission shall also have power to issue refunding bonds for the purpose of paying or retiring or in exchange for bonds previously issued by it. "Bonds" as used in Sections 11, 26.1, 26.2 and 26.4 of this Act¹ shall mean any bonds (including refunding bonds) notes, interim certificates, debentures, or other obligations issued by a commission pursuant to this Section, and the words "bondholder" or "bondholders" as used in Section 26.3 of this Act² shall mean the holder or holders of any such bonds. A Commission shall issue such types of bonds as it may determine, provided that the principal of and interest on such bonds shall be payable, and such bonds shall contain a provision that the principal thereof and interest thereon shall be payable exclusively from the proceeds and revenues of any redevelopment project which is financed in whole or in part with the proceeds of such bonds, together with that amount of the funds of the Commission from whatever source derived as is necessary to constitute the local cash grant-in-aid for the project within the meaning of applicable federal law; provided, however, that any such bonds may be additionally secured by a pledge of any loan, grant or contribution, or parts thereof, thereafter to be received from the United States of America or any agency or instrumentality thereof, or by the contracts therefor.

(b) Neither the members of a Land Clearance Commission nor any person executing such bonds shall be liable personally thereon by reason of the issuance thereof. Such bonds (and the same shall so state on their face) shall not be a debt of any city, village, incorporated town, county, the State or any political subdivision thereof and neither the city, village, incorporated town or the county, nor the State or any political subdivision thereof, shall be liable thereon, nor in any event shall such bonds be payable out of any funds or properties of a Land Clearance

Commission other than those enumerated in this Section. Such bonds shall not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction. Bonds of a Commission are declared to be issued for an essential public and governmental purpose.

(c) Bonds of a Commission shall be authorized by its resolution and may be issued in one or more series and shall bear such date or dates, shall mature at such time or times, bear interest at such rate or rates, not exceeding six per centum (6%) per annum, be in such denomination or denominations, be in such form either coupon or registered, carry registration privileges, have such priority, be executed in such manner, be payable in such medium of payment, at such place or places, and be subject to such terms of redemption (with or without premium) as such resolution, any trust indenture relating thereto, and the bonds issued may provide. Notwithstanding any other laws to the contrary, bonds authorized under this section may be issued without submitting any proposition thereon to the electorate by referendum or otherwise.

(d) The bonds shall be sold at not less than par and accrued interest.

(e) In case any of the commissioners or officers of the Commission whose signatures appear on any bonds or coupons shall cease to be such commissioners or officers before the delivery of such bonds, such signatures shall, nevertheless, be valid and sufficient for all purposes, the same as if such commissioners or officers had remained in office until such delivery. Any provision of any law to the contrary notwithstanding, any bonds issued pursuant to this Act shall be fully negotiable.

(f) In any suit, action or proceedings involving the validity or enforceability of any bond of a Commission or the security therefor, any such bond reciting in substance that it has been issued by the Commission, to aid in financing any redevelopment projects pursuant to this Act and for any other purposes authorized by this Act shall be conclusively deemed to have been issued for such projects and other purposes and such projects shall be conclusively deemed to have been planned, located and carried out in accordance with the purposes and provisions of this Act. As amended by act approved July 13, 1955. L.1955, p. —, S.B. No. 617.

1 Sections 73, this section, 88.2, 88.4 of this chapter.

2 Section 88.3 of this chapter.

Section added: L.1949, p. 997.

88.2 Securing payment of bonds.) § 26.2 In connection with the issuance of bonds and in order to secure the payment of such bonds, a Commission, in addition to its other powers, shall have power in the bond resolution, subject to the limitations, terms and provisions in this Act contained:

(a) To pledge all or any part of its revenues to which its right then exists or may thereafter come into existence.

(b) To covenant against pledging all or any part of its revenues, or against permitting or suffering any lien on its revenues or property; and to covenant as to what other, or additional debts or obligations may be incurred by it.

(c) To covenant as to the bonds to be issued and as to the issuance of such bonds in escrow or otherwise, and as to the use and disposition of the proceeds thereof; to provide for the replacement of lost, destroyed or mutilated bonds; and to covenant for their redemption and to provide the terms and conditions thereof.

(d) To covenant as to the use and disposition to be made of all or any part of its revenues; and to create or to authorize the creation of special funds for moneys held for operating costs, debt service, reserves, or other purposes, and to covenant as to the use and disposition of the moneys held in such funds.

(e) To prescribe the procedure, if any, by which the terms of any contract with bondholders may be amended or abrogated, the amount of bonds the holders of which must consent thereto and the manner in which such consent may be given.

(f) To covenant as to the rights, liabilities, powers and duties arising upon the breach by it of any covenant, condition, or obligation; and to covenant and prescribe as to events of default and terms and conditions upon which any or all of its bonds shall

become or may be declared due before maturity, and as to the terms and conditions upon which such declaration and its consequences may be waived.

(g) To vest in a trustee or trustees or the holders of bonds or any specified proportion of them the right to enforce the payment of the bonds or any covenants securing or relating to the bonds; and to enforce collection of the proceeds and revenues arising from any redevelopment project which have been pledged to secure such bonds and to dispose of such moneys in accordance with the agreement of the Commission with such trustee or trustees, or obligee or obligees; to provide for the powers and duties of such trustee or trustees and obligee or obligees and to limit the liabilities thereof; and to provide the terms and conditions upon which such trustee or trustees, or obligee or obligees may enforce any covenant or rights securing or relating to the bonds; and

(h) To exercise all or any part or combination of the powers herein granted; to make covenants other than and in addition to the covenants herein expressly authorized, of like or different character; to make such covenants and to do any and all such acts and things as may be necessary or convenient or desirable in order to secure its bonds, or, in the absolute discretion of said Commission, as will tend to make the bonds more marketable notwithstanding that such covenants, acts or things may not be enumerated herein. Added by act approved July 13, 1955. L.1955, p. —, S.B.No. 617.

88.3 Rights of bondholders.) § 26.3 A bondholder or trustee for a bondholder shall have the right in addition to all other rights which may be conferred on such bondholder or trustee, subject to any contractual restrictions binding upon such bondholder or trustee, and to the limitations, terms and provisions in this Act contained:

(a) By mandamus, suit, action or proceeding at law or in equity to compel said Commission and the commissioners, officers, agents, or employees thereof to perform each and every term, provision and covenant contained in the bond resolution and in any contract of said Commission with or for the benefit of such bondholder or trustee, and to require the carrying out of any or all such covenants and agreements of said Commission and the fulfillment of all duties imposed upon said Commission by this Act.

(b) By suit, action or proceeding in equity, to enjoin any acts or things which may be unlawful, or the violation of any of the rights of such bondholders. Added by act approved July 13, 1955. L.1955, p. —, S.B.No. 617.

88.4 Who may invest in bonds.) § 26.4 The State and all counties, cities, villages, incorporated towns and other municipal corporations, political subdivisions and public bodies and public officers of any thereof, all banks, bankers, trust companies, savings banks and institutions, building and loan associations, savings and loan associations, investment companies and other persons carrying on a banking business, all insurance companies, insurance associations and other persons carrying on an insurance business, and all executors, administrators, guardians, trustees or other funds belonging to them or within their control in any bonds of a land clearance commission issued in connection with a project for which the United States of America or any agency or instrumentality thereof, the State, or any political subdivision of the State has extended or provided for or has agreed to extend or provide for, financial assistance which prior to the maturity of such bonds, will be in an amount which (together with any other monies irrevocably committed to the payment of the principal and interest on such bonds) will suffice to pay the principal of such bonds with interest to maturity thereon and which monies are required to be used for the purpose of paying the principal of and the interest on such bonds at their maturity, it being the purpose of this section to authorize the investment in such bonds of all sinking, insurance, retirement, compensation, pension and trust funds, whether owned or controlled by private or public persons or officers; provided, however, that nothing contained in this section may be construed as relieving any person,

New Section 88.4 § 26.4 to be inserted p. 24 of copy of Illinois Housing Laws
(Green Book) Chap. 67 1/2 Ill. Rev. Stat.

88.4 Who may invest in bonds.) § 26.4 The State and all counties, cities, villages, incorporated towns, and other municipal corporations, political subdivisions and public bodies and public officers of any thereof, all banks, bankers, trust companies, savings banks and institutions, building and loan associations, savings and loan associations, investment companies and other persons carrying on a banking business, all insurance companies, insurance associations and other persons carrying on an insurance business, and all executors, administrators, guardians, trustees and other fiduciaries may legally invest any sinking funds, moneys or other funds belonging to them or within their control in any bonds of a land clearance commission issued in connection with a project for which the United States of America or any agency or instrumentality thereof, the State, or any political subdivision of the State has extended or provided for or has agreed to extend or provide for, financial assistance which prior to the maturity of such bonds, will be in an amount which (together with any other monies irrevocably committed to the payment of the principal and interest on such bonds) will suffice to pay the principal of such bonds with interest to maturity thereon and which monies are required to be used for the purpose of paying the principal of and the interest on such bonds at their maturity, it being the purpose of this section to authorize the investment in such bonds, all sinking, insurance, retirement, compensation, pension and trust funds, whether owned or controlled by private or public persons or officers; provided, however, that nothing contained in this section may be construed as relieving any person, firm or corporation from any duty of exercising reasonable care in selecting securities. Added by act approved July 13, 1955. L.1955, p. 1776.



firm or corporation from any duty of exercising reasonable care in selecting securities. Added by act approved July 13, 1955. L. 1955, p. —, S.B. No. 617.

89. Operation and effect of Act.) § 27. This Act¹ shall be deemed to create an additional and alternative method for the eradication of slum and blighted areas and for sound community development and redevelopment. This Act shall not be deemed to alter, amend or repeal any other statute having to do with such matters, but the provisions of this Act shall be deemed exclusive, in respect to the proceedings herein authorized, and no proceedings, actions or notices shall be required for the doing, or as a condition precedent for the doing, of any of the things herein authorized, except such as are prescribed by this Act. As amended by act approved Aug. 3, 1949. L. 1949, p. 997.

¹ Sections 63-91 of this chapter.

90. Liberal construction.) § 28. This Act¹ being necessary for and intended to secure the public health, safety and welfare, the provisions of this Act shall be liberally construed to effectuate the provisions hereof.

¹ Sections 63-91 of this chapter.

91. Partial invalidity.) § 29. If any section, clause, sentence, paragraph, part or provision of this Act¹ shall be held to be invalid by any Court, it shall be conclusively presumed that the remaining portions of this Act would have been passed by the Legislature without such invalid section, clause, sentence, paragraph, part or provision.

¹ Sections 63-91 of this chapter.

BLIGHTED VACANT AREAS DEVELOPMENT ACT OF 1949

AN ACT in relation to the eradication of urban blighted vacant areas, and for facilitating the development of housing and communities in such areas, and to provide for the creation of instrumentalities to aid in the accomplishment of this purpose. Filed Aug. 13, 1949. L. 1949, p. 994.

Be it enacted by the People of the State of Illinois, represented in the General Assembly:

91.1 § 1. Short Title. This act¹ shall be known and may be cited as the Blighted Vacant Areas Development Act of 1949. 1949, Aug. 13, Laws 1949, p. 994, § 1.

¹ Sections 91.1 to 91.7 of this chapter.

91.2 § 2. Legislative Finding and Declaration. It is hereby found and declared:

(a) That there exists within the populous areas in the State of Illinois an inadequate quantity of housing and that this inadequacy may not be regarded as transitory or self-curing;

(b) Inadequacy of housing in such areas breeds disease, mental and physical; increases the mortality rate; contributes to marital instability, juvenile delinquency, and crime; requires increased expenditures by the State of Illinois and by local governments; necessitates higher tax levies; and intensifies demands for charity, both public and private;

(c) Alleviation of the inadequacy of housing in such areas requires the use for housing purposes of presently undeveloped land in such populous areas, in tracts sufficiently large to meet modern and economical construction needs and patterns and the requirements of modern city planning;

(d) A large proportion of presently undeveloped land in populous areas, suitable for housing purposes within the aforementioned requirements, lies within subdivisions in which there is prevalent (i) small lot size; (ii) diversity of ownership; (iii) unknown ownership and clouded titles; (iv) taxes and special assessment delinquencies usually exceeding the fair value of the land. These characteristics render such land unmarketable in fact for housing

purposes or for any other economic purpose, so that such land, in its present state, cannot be developed by private enterprise.

(e) These subdivisions are a continuing burden upon the tax paying properties of the community and they are permitted through neglect to produce weeds, noxious and otherwise, which become fire hazards during the autumn season, and are often the locations where offensive, immoral,¹ and criminal acts are perpetrated. They have, therefore, become a blight upon the community.

(f) That these conditions prevent development of desirable residential areas, resulting in added costs to the people of this State for creation of new public facilities and services. That lots within such subdivisions which have a fair cash market value in excess of the amount of the unpaid taxes and special assessments, are so burdened and encumbered by such conditions that the owners suffer from the blight which engulfs such areas and destroys the marketability of otherwise saleable land.

(g) As a result of these degenerative conditions the properties within these blighted vacant areas are in a state of nonproductiveness and fail to produce their due and proper share of the taxes necessary to support local governments within whose boundaries they are situated notwithstanding the annual outlay of a substantial amount of public revenues in a largely ineffectual effort to collect such taxes. They are economic, social, and physical waste lands which produce a meager share of the public revenue raised to defray the cost of police and fire protection, the protection of public health and the promotion of general welfare. The drain upon the public revenues caused directly and indirectly by these blighted vacant areas, has impaired and will continue to impair the efficient, economical, and indispensable governmental functions of the State of Illinois, as well as of the counties and municipalities within the State of Illinois.

(h) That these blighted vacant areas constitute physical, economic, and social nuisances, and should be eliminated in the best interest of the health, morals, safety, and general welfare of the people of the State of Illinois. Accordingly, such elimination and development as herein provided is hereby declared to be a public use.

¹ Probably should read "immoral."

91.3 § 3. Definitions. The following terms, wherever used or referred to in this Act,¹ shall have the following respective meanings, unless, in any case, a different meaning clearly appears from the context:

(a) "Private interest" and "developer" includes any person, firm, association, trust, or business corporation.

(b) "Blighted vacant area" means any undeveloped contiguous urban area of not less than one acre where there exists diversity of ownership of lots and tax and special assessment delinquencies exceeding the fair cash market value of the land within such area.

(c) "State Housing Board" or "Board" means the State Housing Board created pursuant to "An act in relation to housing", approved July 12, 1933, as amended.²

(d) "Municipality" and "Corporate Authorities of the Municipality" shall have the respective meanings assigned to these terms in Article I, Section 1-2, of the "Revised Cities and Villages Act", approved August 15, 1941, as amended;³ and "Corporate Authorities of the County" shall refer to the governing body of the county as specified in Section 23 of "An Act to revise the law in relation to counties", approved March 31, 1874, as amended.⁴

¹ Sections 91.1 to 91.7 of this chapter.

² Section 151 et seq. of this chapter.

³ Chapter 24, § 1-2.

⁴ Chapter 34, § 23.

91.4 § 4. Contract for Development.) When any private interest shall submit to the State Housing Board a preliminary plan for the development of homes or rental housing and buildings and improvements, public or private, appropriate to serving the needs of a residential community, upon a site in a blighted vacant area, and makes an offer to pay cash for the site in an amount acceptable to the Board, the Board shall recommend to the Gov-

emor the institution of eminent domain proceedings by the State of Illinois to acquire the fee simple title to said site for such purpose.

91.5 § 5. Institution of Eminent Domain Proceedings and Vesting of Title. When the Governor has adopted the recommendation of the Board, he shall thereupon execute a declaration taking the site on behalf of the State of Illinois and estimating the compensation for the site. He shall then request the Attorney General to institute eminent domain proceedings to take the site, furnishing him with the declaration of taking and the sum estimated as compensation for the site. It shall thereupon become the duty of the Attorney General, within 60 days thereafter, to institute eminent domain proceedings, file the declaration of taking, and deposit the estimated compensation with the Clerk of the Court. Title to the site shall thereupon vest in the State of Illinois.

91.6 § 6. Sale of Land.) After title to the site is vested in the State of Illinois, the State of Illinois, acting through the Governor and the Secretary of State, shall sign, seal, and deliver a deed conveying the site to the developer or his heirs, devisees, successors or assigns, in consideration of the offer of the developer, provided that:

(a) The plans of development have been approved by the corporate authorities of the municipality in which the site is located, or by the corporate authorities of the county where the site is located in an unincorporated area.

(b) The developer has satisfied the Board that the completion of development will be accomplished within a reasonable time after title to the site has been acquired from the State of Illinois by depositing bond with surety to be approved by the Board, or making a cash deposit, in either case in such amount as shall be deemed adequate by the Board. Such bonds shall designate the People of the State of Illinois as obligee thereunder and the developer as obligor thereon, and shall be conditioned upon completion of development by the developer in accordance with the plans of development, or such revisions therein as may be approved by the Board, within a period to be specified by the Board or any subsequent extension of this period by the Board.

Such bond shall be in substantially the following form: "KNOW ALL MEN BY THESE PRESENTS, that we, A. B., C. D., and E. F., of the County of and State of Illinois, as principals, and as surety, are bound to the People of the State of Illinois in the penal sum of (\$), lawful money of the United States, for the payment of which we and each of us bind ourselves and our heirs, executors, administrators and assigns jointly by these presents.

The condition of this bond is such that if the said A. B., C. D., and E. F., shall well and truly complete development of a site located at in accordance with plans of development submitted to the Illinois State Housing Board on 19 . . . , or in accordance with such revisions of such plans of development as may hereafter be approved by the Illinois State Housing Board, such completion of development to be within a period of years, or any subsequent extension of this period by the Illinois State Housing Board, then this obligation is void; otherwise it remains in full force and effect.

WITNESS OUR HANDS AND SEALS THIS day of , 19"

The bond shall be signed and sealed by the principals and sureties and after approval by the Board shall be filed and recorded by the Board.

91.7 § 7. Funds Derived from Sale. The purchase price for said land shall be deposited either in the general fund or in such special fund as may be segregated for the administration of this Act.¹

¹ Sections 91.1 to 91.7 of this chapter.

CONSERVATION OF URBAN RESIDENTIAL AREAS

AN ACT in relation to the conservation of urban residential areas and the prevention of slums and to define the rights, powers and duties of municipalities in connection therewith. Approved July 13, 1953. L.1953, p. 1240.

Be it enacted by the People of the State of Illinois, represented in the General Assembly:

91.8 § 1. Name of act.) This Act¹ shall be known as the Urban Community Conservation Act.

¹ Sections 91.8-91.16 of this chapter.

91.9 § 2. Legislative finding and declaration.) It is hereby found and declared that there exist in many urban communities within this State conservation areas, as defined herein; that these conservation areas are rapidly deteriorating and declining in desirability as residential communities and may soon become slum and blighted areas if their decline is not checked; that the stable economic and physical development of these areas is endangered by the presence of blighting factors as manifested by progressive and advanced deterioration of structures, by the over-use of housing and other facilities, by a lack of physical maintenance of existing structures, by obsolete and inadequate community facilities and a lack of sound community planning; that as a result and concomitant of the decline of conservation areas, there is a growth of delinquency, crime, and of housing and zoning law violations in such areas, together with an abnormal exodus of families; that the decline of these areas threatens to impair the tax base of such communities and produce the conditions characteristic of slum and blighted areas which threaten the health, safety, morals, and welfare of the public; that in order to promote and protect the health, safety, morals and welfare of the public it is necessary to provide for the protection of such conservation areas and prevent their deterioration into slum and blighted areas. The granting to the municipalities of this State of the powers herein provided is directed to that end, and the use of such rights and powers for the prevention of slums is hereby declared to be a public use essential to the public interest.

91.10 § 3. Definitions.) The following terms, wherever used or referred to in this Act¹ shall have the following respective meanings, unless in any case a different meaning clearly appears from the context:

(a) "Municipality" shall mean a city, village or incorporated town.

(b) "Governing body" shall mean the council or the President and Board of Trustees of any city, village or incorporated town, as the case may be.

(c) "Presiding officer" shall mean the Mayor or President of a city, village or incorporated town.

(d) "Conservation Area" shall mean an area of not less than 160 acres in which the structures in 50% or more of the area are residential having an average age of thirty-five years or more. Such an area is not yet a slum or blighted area as defined in the Blighted Areas Redevelopment Act of 1947,² but such area by reason of dilapidation, obsolescence, deterioration or illegal use of individual structures, overcrowding of structures and community facilities, conversion of residential units into non-residential use, deleterious land use or layout, decline of physical maintenance, lack of community planning, or any combination of these factors may become such a slum and blighted area.

(e) "Conservation Plan" shall mean the comprehensive program for the physical development and replanning of a "Conservation Area" embodying the steps required to prevent such "Conservation Area" from becoming a slum and blighted area.

(f) "Real Property" shall include lands, lands underwater, structures and any and all easements, franchises and incorporeal hereditaments, and estates, and rights, legal and equitable, including terms for years and liens by way of judgment, mortgage or otherwise.

New Section 91.10 § 3 to be inserted p. 26 of copy of Illinois Housing Laws
(Green Book) Chap. 67 1/2 Ill. Rev. Stat.

91.10 § 3. Definitions.) The following terms, wherever used or referred to in this Act¹ shall have the following respective meanings, unless in any case a different meaning clearly appears from the context.

- (a) "Municipality" shall mean a city, village or incorporated town.
- (b) "Governing body" shall mean the council or the President and board of Trustees of any city, village or incorporated town as the case may be.
- (c) "Presiding officer" shall mean the Mayor or President of a city, village, or incorporated town.

(d) "Conservation Area" in municipalities with a population of over 500,000 shall mean an area of not less than 40 acres, and in other municipalities shall mean an area of not less than 2 acres in which the structures in 50% or more of the area are residential having an average age of 35 years or more. Such an area is not yet a slum or blighted area as defined in the Blighted Areas Redevelopment Act of 1947,² but such an area by reason of delapidation, obsolescence, deterioration or illegal use of individual structures, overcrowding of structures and community facilities, conversion of residential units into non-residential use, deleterious land use or layout, decline of physical maintenance, lack of community planning, or any combination of these factors may become such a slum and blighted area.

(e) "Conservation Plan" shall mean the comprehensive program for the physical development and replanning of a "Conservation Area" embodying the steps required to prevent such "Conservation Area" from becoming a slum and blighted area.

(f) "Real Property" shall include lands, lands underwater, structures and any and all easements, franchises and incorporeal hereditaments and estates, and rights, legal and equitable, including terms for years and liens by way of judgment, mortgage or otherwise.

(g) "Fair Use Value" shall mean the fair cash market value of real property when employed for the use contemplated by the community conservation plan.

(h) "Community facilities" shall mean those physical plants which implement, support and facilitate the activities, services and interests of education, recreation, shopping, health, welfare, religion and general culture. As amended by act approved July 23, 1959. L.1959, p. ____, S.B.No. 974.

¹Section 91.8 et seq. of this chapter.
²Section 63 et seq. of this chapter.



(g) "Fair Use Value" shall mean the fair cash market value of real property when employed for the use contemplated by the community conservation plan.

(h) "Community facilities" shall mean those physical plants which implement, support and facilitate the activities, services and interests of education, recreation, shopping, health, welfare, religion and general culture.

1 Section 91.8 of this chapter.

2 Section 63 et seq. of this chapter.

91.11 § 4. Appointment, compensation, quorum and powers of the Conservation Board. Any municipality, after 30 days' notice, published in a newspaper of general circulation within the municipality, and public hearing, shall have the power to provide for the creation of a Conservation Board, to operate within the boundaries of such municipality, pursuant to the provisions of this Act. The presiding officer of any municipality in which a Conservation Board is established shall appoint, with the approval of the governing body and of the Illinois State Housing Board, five residents of the municipality to act as a Conservation Board, hereinafter referred to as "the Board." Members of the Board shall be citizens of broad civic interest, administrative experience and ability in the fields of finance, real estate, building, or related endeavors, not more than three of whom shall belong to the same political party. One such member shall be designated by the presiding officer as Commissioner and shall serve at the pleasure of the presiding officer. He shall administer the functions assigned by the Board, preside over its meetings, and carry out whatever other functions may be assigned to him by the governing body. The Commissioner shall devote his full-time attention to the duties of his office and shall receive no public funds by way of salary, compensation, or remuneration for services rendered, from any other governmental agency or public body during his tenure in office, other than the salary provided by the governing body, except as herein otherwise specifically provided.

Four other members of the Board shall be appointed, to serve one, two, three, and four year terms. After the expiration of the initial term of office each subsequent term shall be of four years' duration. A member shall hold office until his successor shall have been appointed and qualified. Members of the Board shall be eligible to succeed themselves. Members of the Board other than the Commissioner shall serve without pay, except as herein otherwise specifically provided and no member of the Board shall acquire any interest, direct or indirect, in any conservation project, or in any property included or planned to be included in any conservation project, nor shall any member have any interest in any contract or proposed contract in connection with any such project. Members may be dismissed by the Presiding Officer of the Municipality for good cause shown. Such dismissal may be set aside by a two-thirds vote of the governing body. Notwithstanding anything to the contrary herein contained, the Commissioner, may, during all or any part of his term also serve as Chairman or member of a Redevelopment Commission created pursuant to "The Neighborhood Redevelopment Corporation Law" approved July 9, 1941, as amended,¹ and shall be entitled to receive and retain any salary payable to him as Chairman or member of any such Redevelopment Commission. Three members of the Conservation Board shall constitute a quorum to transact business and no vacancy shall impair the right of the remaining members to exercise all the powers of the Board; and every act, order, rule, regulation or resolution of the Conservation Board approved by a majority of the members thereof at a regular or special meeting shall be deemed to be the act, order, rule, regulation or resolution of the Conservation Board.

The Conservation Board shall designate Conservation Areas and

(a) Approve all conservation plans developed for Conservation Areas in the manner prescribed herein;

(b) Approve each use of eminent domain for the acquisition of real property for the purposes of this Act,² provided that every property owner affected by condemnation proceedings shall have the opportunity to be heard by the Board before such proceedings may be approved;

(c) Act as the agent of the Municipality in the acquisition, management, and disposition of property acquired pursuant to this Act as hereinafter provided;

(d) Act as agent of the governing body, at the discretion of the governing body, in the enforcement and the administration of any ordinances relating to the conservation of urban residential areas and the prevention of slums enacted by the governing body pursuant to the laws of this State;

(e) Report annually to the presiding officer of the municipality;

(f) Shall, as agent for the Municipality upon approval by the governing body, have power to apply for and accept capital grants and loans from, and contract with, the United States of America, the Housing and Home Finance Agency, or any other Agency or instrumentality of the United States of America, for or in aid of any of the purposes of this Act, and to secure such loans by the issuance of debentures, notes, special certificates, or other evidences of indebtedness, to the United States of America; and

(g) Exercise any and all other powers as shall be necessary to effectuate the purposes of this Act. As amended by act approved July 14, 1955. L.1955, p. —, S.B.No. 656.

1 Section 251 et seq. of this chapter.

2 Section 91.8 et seq. of this chapter.

91.12 § 5. Designation of Conservation Areas —Preparation of Plan—Opinion by Plan Commission—Approval by governing body. Whenever the Board determines that an area within the municipality may be eligible for designation as a Conservation Area within the meaning of this Act,¹ it shall make such investigation and hold such hearings as may be required, including at least one public hearing held within the area. Any hearing may be conducted by the Board or by a committee appointed by it, consisting of one or more members of the Board. The Board may after such hearing designate such areas as Conservation Areas for the purposes of this Act. Such designation together with an accurate description of the area included in such designation shall be made by resolution of the majority of the Board and be part of the records of the Board.

Following such designation the Board shall draw up or have submitted for its approval a conservation plan for the Area, which plan may include but is not limited to (1) land uses, residential and non-residential; (2) improvement, alteration, or vacation of major and minor streets and alleys, provision for restricted service access, and off-street parking; (3) locations and easements for public utilities; (4) community facilities; (5) landscaping and site engineering; (6) building restrictions; (7) recommended construction including new buildings, rehabilitation and conversions, demolition of designated structures, and elimination of non-conforming uses; (8) population density, ground coverage, and number of dwelling units recommended; (9) recommended standards of maintenance, and requirements of applicable health and safety ordinances; (10) zoning and/or rezoning required; (11) costs and financing arrangements of public portions of the plan; (12) recommended time table of various stages of the program; (13) any and all other steps needed to carry out the plan. Such plan shall conform to the comprehensive plan, if any, of the municipality. In any municipality which has provided for the creation of a Conservation Board, to operate within the boundaries of such municipality, pursuant to the provisions of this Act, the Board shall nominate and the presiding officer shall appoint no less than nine nor more than fifteen residents of each Conservation Area designated by the Board to serve as a "Conservation Community Council" for their respective areas. One member of each such council shall be designated as Chairman by the presiding officer. Members of such councils shall be appointed to serve three year terms except that one-third of the initial membership of each council shall serve terms of one year and one-third of the initial membership shall serve terms of two years. Members shall serve without pay and shall be eligible to succeed themselves. A member shall hold office until his successor shall have been appointed and qualified. No member of a council may hold public or political party office during his period of membership. A majority of each council created must be the legal or equitable owners of real property located within their respective Conservation Areas. A majority of

the members of each council shall constitute a quorum to transact business and no vacancy shall impair the right of the remaining members to exercise all the powers of each council, and every action of a conservation community council approved by a majority of the members present shall be deemed to be the action of the conservation community council; provided that not less than five members shall constitute a quorum.

The councils shall:

(a) Consult with, assist and advise the Board in the preparation of the Conservation Plan for their respective areas;

(b) Assist the Board in the administration of the Conservation Plan within their respective areas;

(c) Approve by majority vote as hereinbefore provided the Conservation Plan for their respective areas before it is submitted to the governing body, as hereinafter provided;

(d) Take vigorous appropriate steps to reconstitute community pride and encourage self-help through planned individual and block rehabilitation efforts within their respective areas.

The municipality may hire personnel necessary for the functions of the Board. The Board shall cooperate and consult with public and private agencies and individuals interested in the area, in preparing the plan. Upon its completion the plan shall be submitted to the governing body, together with a request for such implementing legislation as may be required and within the authority of the governing body and the opinion of the Plan Commission of the municipality, if any, on the merits of the plan.

The governing body of the municipality shall by resolution adopt or reject such plan. Following favorable action by the governing body, the Board shall certify such plan as adopted and may thereafter exercise in such areas the powers granted under this Act; provided that nothing in this section shall restrict the Board from the exercise within the municipality of any other powers which have been delegated to it by the governing body, notwithstanding the failure to certify any conservation plan as adopted. As amended by act approved July 14, 1955. L.1955, p. —, S.B.No. 656.

¹ Section 91.8 et seq. of this chapter.

91.13 § 6. Real property necessary or appropriate for the conservation of urban residential areas—Acquisition, use and disposition. The Conservation Board of a municipality shall have the power to acquire by purchase, condemnation or otherwise any improved or unimproved real property the acquisition of which is necessary or appropriate for the implementation of a conservation plan for a Conservation Area as defined herein; to remove or demolish substandard or other buildings and structures from the property so acquired; to hold, improve, mortgage and manage such properties; and to sell, lease, or exchange such properties, provided that contracts for repair, improvement or rehabilitation of existing improvements as may be required by the Conservation Plan to be done by the Board involving in excess of \$1,000.00 shall be let by free and competitive bidding to the lowest responsible bidder upon such bond and subject to such regulations as may be set by the Board, and provided further that all new construction for occupancy and use other than by any municipal corporation or subdivision thereof shall be on land privately owned. The acquisition, use, or disposition of any real property in pursuance of this section must conform to a conservation plan developed in the manner hereinafter set forth. In case of the sale or lease of any real property acquired under the provisions of the Act,¹ such buyer or lessee must as a condition of sale or lease, agree to improve and use such property according to the conservation plan, and such agreement may be made a covenant running with the land and on order of the governing body such agreement shall be made a covenant running with the land. No lease or deed of conveyance either by the Board or any subsequent owner shall contain a covenant running with the land or other provision prohibiting occupancy of the premises by any person because of race, creed or color. The Conservation Board shall by public notice by publication once each week for two consecutive weeks in a newspaper having general circulation in the municipality prior to the execution of any contract to sell, lease or otherwise transfer real

property and prior to the delivery of any instrument of conveyance with respect thereto, invite proposals from and make available all pertinent information to redevelopers or any person interested in undertaking to redevelop or rehabilitate a Conservation Area, or any part thereof, provided that, in municipalities in which no newspaper is published, publication may be made by posting a notice in three prominent places within the municipality. Such notice shall contain a description of the Conservation Area, the details of the conservation plan relating to the property which the purchaser shall undertake in writing to carry out and such undertakings as the Board may deem necessary to obligate the purchaser, his successors and assigns (1) to use the property for the purposes designated in the Conservation Plan, (2) to commence and complete the improvement, repair, rehabilitation or construction of the improvements within the periods of time which the Board fixes as reasonable and (3) to comply with such other conditions as are necessary to carry out the purposes of the Act. The Conservation Board may negotiate with any persons for proposals for the purchase, lease or other transfer of any real property acquired pursuant to this Act and shall consider all redevelopment and rehabilitation proposals submitted to it and the financial and legal ability of the persons making such proposals to carry them out. The Conservation Board, as agent for the Municipality, at a public meeting, notice of which shall have been published in a newspaper of general circulation within the municipality at least fifteen but not more than thirty days prior to such meeting, may accept such proposals as it deems to be in the public interest and in furtherance of the purposes of this Act; provided that, all sales or leases of real property shall be made at not less than fair use value. No sale of real property acquired pursuant to this section shall be made without the approval of a majority of the governing body. The disposition of real property acquired pursuant to this section shall be exempt from the requirements of Sections 59-1 and 59-2 of "Revised Cities and Villages Act," approved August 15, 1941, as amended.² All deeds of conveyance of real property acquired pursuant to this section shall be executed as provided in Section 59-3 of "Revised Cities and Villages Act," approved August 15, 1941, as amended.³ No property shall be held for more than five years, after which period such property shall be sold to the highest bidder at public sale. The Board may employ competent private real estate management firms to manage such properties as may be acquired and shall, in any event, do so within 60 days after the vesting of possession of acquired property in the Board. As amended by act approved July 14, 1955. L.1955, p. —, S.B.No. 656.

¹ Section 91.8 et seq. of this chapter.

² Chapter 24, § 59-1, 59-2.

³ Chapter 24, § 59-3.

91.13a § 6a. Federal loans and grants. The Municipality may borrow money or other property and accept contributions, capital grants, gifts, donations, services or other financial assistance from the United States of America, the Housing and Home Finance Agency, or any other agency or instrumentality, corporate or otherwise, of the United States of America, for or in aid of any of the purposes of this Act, and to these ends, may comply with such conditions and enter into such agreements (including loan contracts and contracts for financial aid) upon such covenants, terms and conditions as the Municipality may deem necessary, convenient or desirable. The Municipality is hereby authorized to issue debentures, notes, special certificates or other evidences of indebtedness to the United States of America, or any agency or instrumentality thereof, in order to secure loans for or in aid of any of the purposes of this Act; Provided however, that any such debentures, notes, special certificates, or other evidences of indebtedness, issued to the United States of America, or any agency or instrumentality thereof, shall be payable solely out of proceeds from the sale of real property pursuant to Section 6 hereof,¹ out of any revenue from the operation and management, or demolition, of existing housing or other buildings or improvements located on any real property acquired by the Municipality pursuant to this Act, out of such capital grants as the Municipality may receive from the United States of America, or any agency or instrumentality thereof, or out of any local grants-in-aid as

New Section 91.13 § 6 to be inserted p. 28 of copy of Illinois Housing Laws (Green Book) Chap. 67½ Ill. Rev. Stat.

91.13 § 6. Real Property necessary or appropriate for the conservation of urban residential areas--Acquisition, use and disposition.) The Conservation Board of a municipality shall have the power to acquire by purchase, condemnation or otherwise any improved or unimproved real property the acquisition of which is necessary or appropriate for the implementation of a conservation plan for a Conservation Area as defined herein; to remove or demolish substandard or other buildings and structures from the property so acquired; to hold, improve, mortgage and manage such properties; and to sell, lease, or exchange such properties, provided that contracts for repair, improvement or rehabilitation of existing improvements as may be required by the Conservation Plan to be done by the Board involving in excess of \$1,000.00 shall be let by free and competitive bidding to the lowest responsible bidder upon such bond and subject to such regulations as may be set by the Board, and provided further that all new construction for occupancy and use other than by any municipal corporation or subdivision thereof shall be on land privately owned. The acquisition, use, or disposition of any real property in pursuance of this section must conform to a conservation plan developed in the manner hereinafter set forth. In case of the sale or lease of any real property acquired under the provisions of this Act such buyer or lessee must as a condition of sale or lease, agree to improve and use such property according to the conservation plan, and such agreement may be made a covenant running with the land and on order of the governing body such agreement shall be made a covenant running with the land. No lease or deed of conveyance either by the Board or any subsequent owner shall contain a covenant running with the land or other provision prohibiting occupancy of the premises by any person because of race, creed or color. The Conservation Board shall by public notice by publication once each week for 2 consecutive weeks in a newspaper having general circulation in the municipality prior to the execution of any contract to sell, lease or otherwise transfer real property and prior to the delivery of any instrument of conveyance with respect thereto, invite proposals from and make available all pertinent information to developers or any person interested in undertaking to redevelop or rehabilitate a Conservation Area, or any part thereof, provided that, in municipalities in which no newspaper is published, publication may be made by posting a notice in 3 prominent places within the municipality. Such notices shall contain a description of the Conservation Area, the details of the conservation plan relating to the property which the purchaser shall undertake in writing to carry out and such undertakings as the Board may deem necessary to obligate the purchaser, his successors and assigns (1) to use the property for the purposes designated in the Conservation Plan, (2) to commence and complete the improvement, repair, rehabilitation or construction of the improvements within the periods of time which the Board fixes as reasonable and (3) to comply with such other conditions as are necessary to carry out the purposes of this Act. The Conservation Board may negotiate with any persons for proposals for the purchase, lease or other transfer of any real property acquired pursuant to this Act and shall consider all redevelopment and rehabilitation proposals submitted to it and the financial and legal ability of the persons making such proposals to carry them out. The Conservation Board, as agent for the Municipality, at a public meeting, notices of which shall have been published in a newspaper of general circulation within the municipality at least 15 but not more than 30 days prior to such meeting, may accept such proposals as it deems to be in the public interest and in furtherance of the purposes of this Act; provided that, all sales or leases of real property shall be made at not less than fair market value. No sale of real property acquired pursuant to this section shall be made without the approval of a majority of the governing body. The disposition of real property acquired pursuant to this section shall be exempt from the requirements of Sections 59-1 and 59-2 of "Revised Cities and Villages Act", approved August 15, 1941, as amended.² All deeds of conveyance of real property acquired pursuant to this section shall be executed as provided in Section 59-3 of "Revised Cities and Villages Act", approved August 15, 1941, as amended.³ No property shall be held for more than 5 years, after which period such property shall be sold to the highest bidder at public sale. The Board may employ competent private real estate management firms to manage such properties as may be acquired, or the Board may manage such properties. As amended by act approved July 23, 1959. L.1959, p. ____, S.B.No. 974.

¹Section 91.8 et seq. of this chapter.

²Chapter 24, §§ 59-1, 59-2.

³Chapter 24, § 59-3.



1 New Section 91.13a § 6a to be inserted p. 28 of copy of Illinois Housing Laws (Green Book) Chap. 67 1/2 Ill. Rev. Stat.

91.13a § 6a Federal loans and grants.) The Municipality may borrow money or other property and except contributions, capital grants, gifts, donations, services or other financial assistance from the United States of America, the Housing and Home Finance Agency, or any other agency or instrumentality, corporate or otherwise, of the United States of America, the State, County, Municipality or other public body, or from any source, public or private, for or in aid of any of the purposes of this Act, and to these ends, may comply with such conditions and enter into such agreements (including loan contracts and contracts for financial aid) upon such covenants, terms and conditions as the Municipality may deem necessary, convenient or desirable. The Municipality is hereby authorized to issue debentures, notes, special certificates or other evidences of indebtedness to the United States of America, or any agency or instrumentality thereof, the State, County, Municipality or other public body, or from any source, public or private, in order to secure loans for or in aid of any of the purposes of this Act: Provided however, that any such debentures, notes, special certificates, or other evidences of indebtedness, issued to the United States of America, or any agency or instrumentality thereof, the State, County, Municipality or other public body, or from any source, public or private, shall be payable solely out of proceeds from the sale of real property pursuant to Section 6 hereof,¹ out of any revenue from the operation and management, or demolition, of existing housing or other buildings or improvements located on any real property acquired by the Municipality pursuant to this Act, out of such capital grants as the Municipality may receive from the United States of America, or any agency or instrumentality thereof, or out of any local grants-in-aid as defined in Section 110 of the Act of Congress approved July 15, 1949, being Public Law 171 81st Congress, known as the "Housing Act of 1949" as amended² which the Municipality or any other municipal corporation, commission, district, authority or other subdivision or public body of the State or any other entity may make in connection with the implementation of a conservation plan for a conservation area as defined herein.

Neither the members of the governing body or the Conservation Board nor any person executing such evidences of indebtedness shall be liable personally thereon by reason of the issuance thereof. Such evidences of indebtedness (and the same shall so state on their face) shall not be payable out of any funds or properties of a Municipality or a Conservation Board other than those enumerated in the first paragraph of this Section. Such obligations shall not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction. As amended by act approved July 23, 1959. L.1959, p. ____, S.B.No. 974.

¹Section 91.13 of this chapter

²42 U.S.C.A. § 1460

Section added: L.1955, p. 1990



defined in Section 110 of the Act of Congress approved July 15, 1949, being Public Law 171—81st Congress; known as the "Housing Act of 1949" as amended² which the Municipality or any other municipal corporation, commission, district, authority or other subdivision or public body of the State or any other entity may make in connection with the implementation of a conservation plan for a conservation area as defined herein.

Neither the members of the governing body or the Conservation Board nor any person executing such evidences of indebtedness shall be liable personally thereon by reason of the issuance thereof. Such evidences of indebtedness (and the same shall so state on their face) shall not be payable out of any funds or properties of a Municipality or a Conservation Board other than those enumerated in the first paragraph of this Section. Such obligations shall not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction. Added by act approved July 14, 1955. L.1955, p. —, S.B.No. 656.

¹ Section 91.13 of this chapter.

² 42 U.S.C.A. § 1460.

91.14 § 7. Making of repairs to bring properties up to minimum standards—Placing of lien on improved property.) If any owner or agent of improved private property within a Conservation Area as designated under this Act,¹ shall after notice to owner or agent and to mortgagee to comply and opportunity to be heard, fail to make such property conform to minimum standards as set forth in the governing ordinances of the municipality, the corporate authorities of a municipality upon the request of the Conservation Board, shall apply to the Circuit Court of the county in which said property is located for an order of court permitting the corporate authorities to make such improved property conform to such minimum standards and to charge and collect from the owners of and persons interested in such property the reasonable cost and expense of making such repairs or improvements as are necessary to bring the property up to the minimum standards of such ordinances. This cost and expense is a lien upon the real estate affected, subordinate to all prior existing liens and encumbrances, provided that within 60 days after said cost and expense is incurred the municipality or person performing the service by authority of the municipality, in his or its own name, shall file notice of lien in the office of the Recorder of Deeds in the county in which said real estate is located or in the office of the Registrar of Titles of such county if the real estate affected is registered under the Torrens system. The notice shall consist of a sworn statement setting out (1) a description of the real estate sufficient for identification thereof; (2) the amount of money representing the cost and expense incurred or payable for the services; (3) the date or dates when said cost and expense was incurred by the municipality. However, the lien of such municipality shall not be valid as to any purchaser, mortgagee, judgment creditor, or other lienor whose rights in and to said real estate have arisen subsequent to such repair or improvements and prior to the filing of the notice of such lien, in the office of the Recorder of Deeds, or in the offices of the Registrar of Titles, as aforesaid. Upon payment of said cost and expense by the owner of or a person interested in said property, after notice of lien has been filed, the lien shall be released by the municipality or person in whose name the lien has been filed and said release may be filed of record as in the case of filing notice of lien. The lien may be enforced by proceedings to foreclose as in case of mortgages or mechanics liens. Suit to foreclose this lien shall be commenced within three years after the date of filing notice of lien.

¹ Section 91.8 et seq. of this chapter.

91.14a § 7a. Cooperation with Conservation Boards.) (a) For the purpose of aiding a Conservation Board in the planning, undertaking or carrying out of a Conservation Plan in a Conservation Area any state public body (city, village, incorporated town, county, municipal corporation, commission, district, authority, or other subdivision or public body of the State) may, upon such terms, with or without consideration, as it may determine: (1)

dedicate, sell, convey or lease any of its interest in any property or grant easements, licenses or other rights or privileges therein to a Conservation Board as agent for a municipality; (2) incur the entire expense of any public improvements made by such public body in exercising the powers granted in this section; (3) do any and all things necessary to aid or cooperate in the planning or carrying out of a Conservation Plan; (4) lend, grant or contribute funds to a Conservation Board as agent for a municipality; (5) enter into agreements (which may extend over any period, notwithstanding any provision or rule of law to the contrary) with a municipality or other public body respecting action to be taken pursuant to any of the powers granted by this Act, including the furnishing of funds or other assistance in connection with a Conservation Plan, and (6) cause public buildings and public facilities, including parks, playgrounds, recreational, community, or educational facilities, or any other works which it is otherwise empowered to undertake to be furnished; and cause administrative and other services to be furnished to a Conservation Board as agent for the municipality.

(b) Any sale, conveyance, lease or agreement provided for in this section may be made by a public body without appraisal, public notice, advertisement or public bidding.

(c) For the purpose of aiding in the planning, undertaking or carrying out of a Conservation Plan of a Conservation Board hereunder, a municipality may (in addition to its other powers and upon such terms with or without consideration, as it may determine) do and perform any or all of the actions or things which, by the provisions of subsection (a) of this section, a public body is authorized to do or perform, including the furnishing of financial and other assistance. Added by act approved July 14, 1955. L.1955, p. —, S.B.No. 656.

91.15 § 8. Inconsistent provisions.) Insofar as the provisions of this article are inconsistent with the provisions of any other law, the provisions of this article shall be controlling.

91.16 § 9. Partial unconstitutionality.) If any section, subdivision, sentence or clause of this Act¹ is for any reason held invalid or unconstitutional, such decision shall not affect the validity of the remaining portions of this Act.

¹ Section 91.8 et seq. of this chapter.

REHOUSING OF PERSONS IN REDEVELOPMENT PROJECT AREAS

AN ACT in relation to rehousing persons residing in the areas of redevelopment projects undertaken pursuant to the "Blighted Areas Redevelopment Act of 1947" enacted by the Sixty-fifth General Assembly, and to provide for state and municipal contributions therefor. Approved July 2, 1947. L.1947, p. 1089.

Be it enacted by the People of the State of Illinois, represented in the General Assembly:

92. Rehousing residents of redevelopment project areas—State to contribute.) § 1. The State shall contribute to the rehousing of persons of low income residing in the areas of redevelopment projects undertaken pursuant to the "Blighted Areas Redevelopment Act of 1947", herein called "redevelopment projects",² in the manner provided by this Act.¹

¹ Sections 63–91 of this chapter.

² Sections 12–95 of this chapter.

Validity. *Cremer v. Peoria Housing Authority*, 399–579, 78 N.E.2d 276.

93. Application for grant to aid in rehousing—Approval—Payment—Disposition.) § 2. Any housing authority may apply to the State Housing Board for the grant of a sum from the amount to be appropriated for this Act¹ to develop housing projects pursuant to the "Housing Authorities Act", approved March 19, 1934, as amended,² to facilitate and aid in the rehousing of persons eligible for tenancy under said Act residing in the site of a redevelopment project who could not otherwise be rehoused in decent, safe and uncongested dwelling accommodations within their financial reach.

Upon a showing of need of a grant from the amount appropriated for this Act and that the sum so granted will be satisfactorily employed by the housing authority in the development of housing projects for the purposes authorized by this Act, the Chairman of the State Housing Board shall transmit to the Auditor of Public Accounts a statement of approval and of the amount of the grant, and when the municipality has paid to the housing authority an amount at least equal to the amount of the approved grant, the Auditor of Public Accounts shall pay the amount of the approved grant to the housing authority from the appropriation for grants under this Act. Such payment completes all obligations assumed by the State under the provisions of this Act. The amount so granted together with the amount contributed by the city, village or incorporated town in which the redevelopment project is situated shall be deposited in a separate fund and shall be applied only to the planning, acquisition and development of the approved housing project or projects for the purposes authorized by this Act and the Housing Authorities Act. The expenditure of any moneys from such separate fund and the location of the rehousing project or projects shall be subject to the approval of the State Housing Board and the governing body of the municipality in which the redevelopment project is located.

¹ Sections 92-95 of this chapter.

² Sections 1-19 of this chapter.

94. Standards—Cost—Rentals—Preferences.) § 3. A housing authority, in the development and management of any housing project developed in whole or in part with grants from the funds appropriated for this Act,¹ shall conform with following standards;

(1) Any such project shall not be of elaborate or expensive design or materials and shall be planned and developed to promote economy both in construction and administration.

(2) The average construction cost of dwelling accommodations (exclusive of land and site clearance) in any such project shall not be greater than the average construction cost of dwelling accommodations currently produced by private enterprise in the area of operation of the housing authority undertaking such project, under the legal building requirements applicable to the proposed site, and under labor standards not lower than those applicable to such project.

(3) Rentals shall be fixed and tenants selected in accordance with the provisions of the Housing Authorities Act; provided that first preference for occupancy shall be granted to eligible persons from the area of the redevelopment project that cannot otherwise be rehoused in decent, safe and uncongested dwelling accommodations within their financial reach and that such preference shall continue until such persons are rehoused.

¹ Sections 92-95 of this chapter.

95. Bonds of municipality—Taxes to pay bonds—Sinking fund—Referendum—Other funds—Matching of funds not required—Donations.) § 4. Every city, village and incorporated town is authorized and empowered to incur indebtedness and issue bonds in such amount or amounts as the corporate authorities of the municipality deem necessary for the purpose of raising funds to be paid to a housing authority whose area of operation includes that municipality for the rehousing of persons of low-income residing within the area of a redevelopment project situated in that municipality. The ordinance authorizing the issuance of such bonds shall specify the total amount of bonds to be issued, the form and denomination of the bonds, the date they are to bear, the place at which they are payable, the date or dates of maturity, which shall not be later than twenty (20) years after the date the bonds bear, the rate of interest which shall not exceed four per centum (4%) per annum and the dates on which interest is payable. The bonds shall be executed by such officials as may be provided in the ordinance authorizing their issue. They may be made registerable as to principal and may be made callable on any interest payment date at par and accrued interest after notice has been given at the time and in the manner provided in the bond ordinance. The bonds shall remain valid even though one

or more of the officers executing the bonds ceases to hold his or their offices before the bonds are delivered.

The bonds shall be sold to the highest and best bidder at not less than their par value and accrued interest. The municipality shall, from time to time as bonds are to be sold, advertise for proposals to purchase the bonds. Each such advertisement may be published in such newspapers and journals as the governing body of the municipality may determine but must be published at least once in a newspaper having a general circulation in the municipality at least ten days prior to the date of the opening of the bids. The municipality may reserve the right to reject any and all bids and readvertise for bids.

The ordinance authorizing the bonds shall prescribe all the details thereof and shall provide for the levy and collection of a direct annual tax upon all the taxable property within the municipality sufficient to pay the principal thereof and interest thereon as it matures. This tax shall be in addition to and exclusive of the maximum of all other taxes authorized to be levied by the municipality. Tax limitations provided by other statutes of this State shall not apply to taxes levied for payment of these bonds. A certified copy of the bond ordinance shall be filed with the County Clerk of the county in which the municipality or any portion thereof is situated and shall constitute the authority for the extension and collection of such taxes.

If there is no default in payment of the principal or interest upon the bonds, and if after setting aside a sum of money equal to the amount of interest that will accrue on the bonds and a sum of money equal to the amount of principal that will become due thereon within the next six (6) months' period, the treasurer and comptroller, if there is a comptroller, of the municipality shall use the money available from the proceeds of the taxes levied for the payment of the bonds in calling them for payment, if by their terms they are subject to redemption. A municipality may provide in the bond ordinance that whenever the municipality is not in default in payment of the principal or interest on the bonds and has set aside the sums of money provided in this paragraph for interest accruing and principal maturing within the next six (6) months' period, the money available from the proceeds of taxes levied for the payment of these bonds shall be used first in the purchase of the bonds at the lowest price obtainable, but not to exceed their par value and accrued interest, after sealed tenders for their purchase have been advertised for as may be directed by the corporate authorities thereof.

Bonds called for payment and paid or purchased under this Section shall be marked paid and cancelled.

Whenever any bonds are purchased or redeemed and cancelled, the taxes thereafter to be extended for payment of the principal of and interest on the remainder of the issue shall be reduced in an amount equal to the principal of and the interest that would have thereafter accrued upon the bonds so cancelled. A resolution shall be adopted by the corporate authorities of the municipality finding these facts. A certified copy of this resolution shall be filed with the County Clerk of the county in which the municipality, or any portion thereof, is situated, whereupon the County Clerk shall reduce and extend such tax levies in accordance therewith.

The ordinance may provide for the creation of a sinking fund to consist of the proceeds of taxes levied for the payment of the principal of and interest upon these bonds. This fund shall be faithfully applied to the purchase or payment of the bonds, and interest thereon, issued pursuant to the provisions of this Act.

Bonds issued by a municipality for the purposes herein set forth shall not be in excess of any existing statutory limitation on municipal indebtedness, nor shall any municipality by the issuance of the bonds provided for in this Act¹ be allowed to become indebted in any manner or for any purpose to an amount including existing indebtedness in the aggregate exceeding five per centum (5%) on the value of taxable property therein to be ascertained by the last assessment for State and county taxes previous to the incurring of such indebtedness.

No ordinance providing for the issuance of such bonds shall be effective until it has been submitted to referendum of, and ap-

proved by, the electors of that municipality in accordance with the provisions of Sections 17-1 and 17-2 of the "Revised Cities and Villages Act," approved August 15, 1941, as amended.²

In addition to the power to issue bonds as herein provided, every city, village and incorporated town is authorized and empowered to appropriate and pay to a housing authority whose area of operation includes that municipality, available funds for the purpose of rehousing persons of low-income residing within the area of a redevelopment project situated in that municipality as provided in this Act, including the proceeds of bonds issued pursuant to the corporate powers specified in Section 23-103.1 of the "Revised Cities and Villages Act," approved August 15, 1941, as amended.³

A city, village or incorporated town may make payments to a housing authority for the purposes specified in this Act even though such payments are not to be matched by state funds.

Every city, village and incorporated town is authorized to accept donations from individuals, associations and corporations and to pay the same into the separate fund of the housing authority whose area of operation includes such municipality.

¹ Sections 92-95 of this chapter.

² Chapter 24, § 17-1, 17-2.

³ Chapter 24, § 23-103.1.

Validity. *P. ex rel. Touhy v. City of Chicago*, 399-551, 78 NE.2d 285.

HOUSING FACILITIES FOR STATE EMPLOYEES

AN ACT to provide housing facilities for employees in certain State institutions. Approved Aug. 4, 1949. L.1949, p. 1550.

Be it enacted by the People of the State of Illinois, represented in the General Assembly:

96. State employees housing commission.) § 1. The State employees housing commission, hereafter called the Commission, is created; it shall consist of the Directors of the Departments of Finance, Public Safety and Public Welfare. The Director of Finance shall be the Chairman of the Commission.

97. Powers of State employees housing commission—Bonds.) § 2. The Commission is authorized to:

(a) Acquire by purchase or otherwise, construct, equip, complete, remodel, operate, control and manage housing facilities of such type and character as the Commission shall from time to time find necessary in order to provide housing for any of the employees of any State medical, charitable, penal or correctional institution and for that purpose may acquire property of any and every kind and description, whether real, personal or mixed, by gift, purchase or otherwise including but not limited to real estate of the State of Illinois controlled by any Department of the State the jurisdiction of which is transferred by such department to the Commission;

(b) Maintain and operate any such housing facilities and charge for the use thereof, and carry on such activities as are commonly conducted in such housing facilities;

(c) Enter into contracts touching in any manner or any matter within the objects and purposes of this Act;

(d) To pledge the revenues derived from such housing facilities for the payment of any bonds issued for such purpose as provided in this Act;

(e) Borrow money and issue and sell bonds in such amount or amounts as the Commission may determine for the purpose of acquiring, completing, remodeling, constructing or equipping any such housing facilities and to refund and refinance the same from time to time as often as it should be advantageous and to the public interest to do so. All such bonds shall bear interest at not more than five per cent (5%) per annum and may be sold by the Commission in such manner as they may deem best in the public interest; provided that such bonds shall be sold at such price that the interest cost of the proceeds therefrom will not exceed five per cent (5%) per annum based on the average maturity of such bonds and computed according to standard tables of bond values.

Such bonds shall be payable solely and only from the revenues to be derived from the operation of any such housing facilities acquired, completed, remodeled, constructed or equipped in whole or in part with the proceeds of such bonds and shall be secured by a pledge of the revenues of any such housing facilities so acquired, completed, remodeled, constructed or equipped as herein provided.

Such bonds may bear such date or dates and may mature at such time or times as determined by the Commission and may be in such form, carry such registration privileges, may be payable at such place or places, may be subject to such terms of redemption prior to maturity with or without premium as are stated on the face of the bonds, and may contain such terms and covenants all as may be provided by resolution authorizing the issuance of such bonds.

Such bonds shall be executed by such officers of the Commission as shall be designated by the Commission and countersigned by the Treasurer of the State of Illinois. Any bonds bearing the signature of officers in office at the date of signing thereof shall be valid and binding for all purposes, notwithstanding that before delivery thereof any or all such persons whose signatures appear thereon shall have ceased to be such officers.

Each such bond shall state upon its face that it is payable solely and only from the revenues derived from the operation of the housing facilities constructed, remodeled, completed or equipped with the proceeds of the sale of said bonds, and shall state upon its face that it does not constitute an obligation of the State of Illinois within the meaning or application of any constitutional or statutory limitation or provision.

Such bonds shall be registered by the Auditor of Public Accounts. Any registry records of bonds issued prior to the effective date of this 1951 amendatory Act which are in the custody of the State Treasurer shall be transferred to the Auditor of Public Accounts. As amended by act approved June 22, 1951. L.1951, p. 493.

98. Resolution—Required covenants.) § 3. Upon the determination by the Commission to acquire, complete, construct, remodel or equip any housing facilities the commission shall adopt a resolution describing generally the contemplated project, the estimated cost thereof, fixing the amount of bonds, the maturity or maturities, the interest rate, and all details in respect thereof. Such resolution shall contain such covenants as may be determined by the Commission as to:

(a) The issuance of additional bonds that may thereafter be issued payable from the charges or fees derived from the operation of any such housing facilities and for the payment of principal of and interest upon said bonds;

(b) The regulation as to the use of any such housing facilities to assure the maximum use or occupancy thereof;

(c) The amount and kind of insurance to be carried, including use and occupancy insurance, the cost of which shall be payable only from the revenues to be derived from the project;

(d) Operation, maintenance, management, accounting and auditing, and the keeping of records, reports and audits of any such housing facilities;

(e) The obligation of the Commission to maintain the project in good condition and to operate the same in an economical and efficient manner;

(f) The amendment or modification of the resolution authorizing the issuance of any bonds hereunder, and the manner, terms, and conditions, and the amount or percentage of assenting bonds necessary to effectuate such amendment or modification;

(g) Such other covenants as may be deemed necessary or desirable to insure a successful and profitable operation of the project.

99. Charges for use of housing facilities.) § 4. Whenever bonds are issued by the Commission as provided in this Act, the Commission shall establish charges or fees for the use of any housing facilities sufficient at all times to pay maintenance and operation costs and principal of and interest on such bonds; and all revenues derived from the operation thereof shall be set

aside in a separate fund and accounts as hereinafter provided and used only in paying the cost of maintenance and operation and paying the principal of and interest upon the bonds issued for the purpose or purposes set forth and described in the resolution authorizing the issuance of said bonds, and such charges and fees shall be sufficient at all times for such purposes.

100. The State Employees Housing Fund—Separate account for each bond issue—Disbursements.) § 5. The gross total income derived from the sale of bonds, including receipts and income derived from charges or fees, rentals, and all other revenue established for the use and service of any housing facilities shall, within three days after receipt thereof, be paid to the Treasurer of the State of Illinois and held by him as a special fund known as "The State Employees Housing Fund". The State Treasurer shall be ex-officio custodian of such special fund, which fund shall be held and disbursed for the purposes provided in this Act. Said special fund shall be considered always appropriated for the purposes as provided in this Act.

A certified copy of each resolution providing for the issuance of bonds under this Act shall be filed with the Treasurer of the State of Illinois, and the Treasurer shall keep and maintain separate accounts in "The State Employees Housing Fund" for each bond issue in accordance with the covenants and the directions set out in the resolution providing for the issuance of said bonds. All disbursements for maintenance and operation costs shall be made from the proper maintenance and operation account of each particular project upon order of the Commission in accordance with the covenants set out in the resolution authorizing the issuance of the bonds, and the State Treasurer shall disburse funds from the proper account for the payment of principal and interest on bonds in accordance with the directions and covenants of the resolution authorizing the issue thereof.

101. Contract with bond holders, what constitutes—Remedies for enforcement—Adjustment of charges.) § 6. The provisions of this Act and of any resolution or other proceeding authorizing the issuance of bonds shall constitute a contract with the holders of such bonds and the provisions thereof shall be enforceable either in law or in equity, by suit, action, mandamus or other proceeding in any court of competent jurisdiction to enforce and compel the performance of any duties required by this Act and any resolution authorizing the issuance of bonds adopted responsive hereto, including the establishment of sufficient charges or fees for use of any such housing facilities and the application of the income and revenue thereof; and the Commission shall, upon the issuance of any bonds under the provisions of this Act, establish by resolution from time to time the fees or charges to be made for the use of any such housing facilities, which fees or charges shall be adjusted from time to time in order to always provide sufficient income for maintenance and operation and payment of the principal of and interest on such bonds issued as provided for in this Act.

102. Exemption from taxation.) § 7. No property of any kind acquired, owned, constructed or controlled by the Commission for the purposes of carrying out the provisions of this Act shall be exempt from taxation.

RELOCATION OF HOUSES

AN ACT authorizing political subdivisions and municipal corporations of the state to acquire real property on which to relocate dwellings acquired in the condemnation of highway rights-of-way, to rehabilitate such relocated dwellings and to sell them. Approved Aug. 3, 1949. L.1949, p. 1023.

Be it enacted by the People of the State of Illinois, represented in the General Assembly:

103. Declaration of necessity.) § 1. It is hereby declared that there exists an acute shortage of housing in the State of Illinois; that this condition requires that provision be made for the

relocation of dwellings on real property acquired for highway rights-of-way; that the necessity in the public interest for the provisions hereinafter enacted is hereby declared as a matter of legislative determination.

104. Relocation of houses on property condemned for highways—Acquisition for real property therefor.) § 2. Where real property has been acquired for highway purposes by any political subdivision or municipal corporation of the State and is improved with a dwelling or dwellings which otherwise must be removed or demolished in order to construct such highway, any such political subdivision or municipal corporation may acquire other real property by purchase, gift, devise or pursuant to the provisions of "An Act to provide for the exercise of the right of Eminent Domain" approved April 10, 1872 (L. 1871-2, p. 402), as amended,¹ for the purpose of providing a site on which such dwelling or dwellings may be relocated in order that it or they may continue to be used for housing purposes and may cause any such dwelling to be moved to such a site, provide it with a suitable foundation and restore and rehabilitate the dwelling in its entirety.

¹ Chapter 47, § 1 et seq.

105. Agreements for work and material.) § 3. Notwithstanding any provision of this statute or of any other statute, general or special, any political subdivision or municipal corporation of the State, in order to effect the purposes of this statute, may enter into an agreement or agreements for the work and materials necessary therefor with the State, with any other political subdivision or municipal corporation thereof, with any private person firm or corporation or with any public utility.

106. Sale of property after relocation.) § 4. After the relocation or relocation and rehabilitation of any such dwelling, such political subdivision or municipal corporation so relocating the dwelling thereafter by action of its corporate authorities may sell such dwelling and the real property on which it is located in the manner provided by law.

107-150. Reserved for future legislation.

STATE HOUSING ACT

AN ACT in relation to housing. (Approved July 12, 1933. L.1933, p. 396; title as amended by act approved March 19, 1934. L.1933-34, Third Sp. Sess., p. 167, § 2.)

Be it enacted by the People of the State of Illinois, represented in the General Assembly:

151. Title of act.) § 1. This act shall be known as the "State Housing Act."

The State Housing Act, formerly set out under Chapter 32, Corporations, 504-550, has been transferred and reallocated as sections 151-197 of this chapter.

152. Necessity and purpose of act.) § 2. It is hereby declared that congested and unsanitary housing conditions which exist in certain areas of the state in low-priced dwellings are a menace to the health, safety, morals, welfare and reasonable comfort of the citizens of the state. The correction of these conditions in such areas being now otherwise impossible, it is essential that provision be made to encourage the investment of funds at low interest rates, the acquisition at fair prices of adequate parcels of land, the gradual demolition of existing unsanitary and unsafe housing and the construction of new housing facilities under public supervision, with proper standards of sanitation and safety, and at a cost which will permit monthly rentals or charges which wage-earners can afford to pay, and not in excess of the rates hereinafter provided.

Therefore, there are created and authorized the agencies and instrumentalities hereinafter prescribed, which are declared to be the agencies and instrumentalities of the state for the purpose of attaining the ends herein recited.

153. Housing corporations authorized—Dividends to stockholders limited.) § 3. Housing corporations may be organized in the manner provided by this act to acquire, construct, alter, maintain, and operate lands and buildings when authorized by and subject to the supervision of the state housing board hereinafter created, for the purpose of providing housing accommodations for families of low income or for the reconstruction of slum areas, subject to the approval of the state housing board, a reasonable part of any property owned by a housing corporation may be used for stores, offices and community facilities appurtenant and incidental to housing accommodations.

Every housing corporation shall remain at all times subject to the supervision and control of the state housing board; and all real estate acquired by it and all structures erected or altered by it shall be deemed to be acquired for the purpose of promoting the public health, safety and welfare, and subject to all the provisions of this act. Every stockholder of a housing corporation shall be deemed, by the subscription to or receipt of stock thereof, to have agreed that he shall at no time receive or accept from the corporation in repayment of his investment in its stock any sums in excess of the face value thereof, plus cumulative dividends at a rate not to exceed six and one-half per cent per annum. Upon the dissolution of such corporation, any surplus in excess of such amounts shall revert to the State of Illinois.

154. Statement of incorporation.) § 4. Whenever three or more adult persons, citizens of the United States of America, at least two of whom shall be citizens of this State, shall desire to form a corporation under this act, they shall sign, acknowledge and verify under oath, before some officer competent to take acknowledgment of deeds, a statement of incorporation setting forth the following:

- (1) The name and post office addresses, giving town or city, street and number of the incorporators.
- (2) The name of the proposed corporation.
- (3) A statement of the objects for which it is formed, which shall be those set forth in Section 3 of this act.¹
- (4) The period of duration.
- (5) The location of its principal office in this State, giving town or city, street and number, if any.
- (6) The number of shares into which the capital stock is to be divided, the par value thereof, which shall be not less than five dollars nor more than one hundred dollars a share, all such shares to have the same par value, and no shares to be without par value.
- (7) The names and addresses (giving town or city, street and number) of the original subscribers to the capital stock, and the amount subscribed and paid by each.
- (8) The total amount of authorized capital stock.
- (9) The amount of such stock which it is proposed to issue at once and the consideration to be received for such stock (which shall not be less than ten thousand dollars, all of which must be subscribed.)
- (10) The payment of at least one-half of the consideration for the capital stock which it is proposed to issue at once, with a description of the nature and value of property, if any, paid for such capital stock.
- (11) The number, names, and post office addresses of the directors, by street and number, at least one of whom shall be a resident of this state, and terms for which elected.
- (12) A provision that no real property of the corporation shall be sold, transferred or assigned except under and pursuant to the provisions of this act.
- (13) Any other provisions, not inconsistent with this act or other law, for the regulation of the business and conduct of the affairs of the corporation; and any provisions creating, defining, limiting and regulating the powers of the corporation, the directors and stockholders.

¹ Section 153 of this chapter.

155. Approval of state housing board—Filing—Issuance of certificate of incorporation.) § 5. The statement prescribed by

Section 4 of this act¹ shall be filed in duplicate in the office of the Secretary of State, on forms prescribed and furnished by the Secretary of State. No such statement shall be filed unless it shall have endorsed thereon, or be accompanied by a certificate of, the approval of the state housing board to the filing thereof.

If the Secretary of State finds that such statement is in conformity with the provisions of this act, he shall endorse thereon the word "filed," followed by the month, day and year of such filing. Upon such filing the corporation shall be deemed fully organized and may proceed to business.

The Secretary of State shall also issue a certificate of incorporation to the incorporators, making a part of such certificate a copy of all papers filed in his office, using for that purpose duplicate copies, if any, filed therein, authenticated under his hand and the seal of the state. A copy of such certificate of incorporation shall be prepared and filed by the Secretary of State in his office.

¹ Section 154 of this chapter.

156. Rights, powers and privileges.) § 6. Every corporation organized under this Act shall, subject to the conditions and limitations prescribed by this Act, have the following rights, powers and privileges:

- (1) To have succession by its corporate name for the period limited in its certificate of incorporation or any amendment thereof.
- (2) To sue and be sued in its corporate name.
- (3) To have and use a common seal and alter the same at pleasure.
- (4) To have a capital stock of such an amount and divided into shares as may be provided in the certificate of incorporation or any amendment thereof, subject to the conditions prescribed by section 4 of this Act.¹
- (5) To acquire, own, use, convey and otherwise dispose of and deal in real property, subject only to the conditions and restrictions of this Act.
- (6) To own, purchase, or otherwise acquire, whether in exchange or² the issuance of its own stock, bonds or other obligations or otherwise, and to hold, vote, pledge, or dispose of the stocks, bonds or other evidences of indebtedness of any corporation, domestic or foreign.
- (7) To borrow money at such rate of interest, not to exceed six per centum per annum, as the corporation may determine, subject to the approval of the State housing board, and to mortgage or pledge its property, both real and personal, to secure the payment thereof.
- (8) To elect officers, appoint agents, define their duties and fix their compensation.
- (9) Subject to the provisions of this Act, to lease, sell or exchange all of the corporate assets with the consent of two-thirds of all the outstanding capital stock of the corporation at any annual meeting or at any special meeting called for that purpose.
- (10) Subject to the provisions of this Act, to acquire real estate or any interest therein by exercise of the power of eminent domain in the manner provided by the general laws of the State relating thereto.
- (11) To make by-laws not inconsistent with the laws of this State for the administration of the business and interest of such corporation.
- (12) To conduct business in this State, subject to the provisions of this Act.
- (13) To cease doing business and to surrender its charter.
- (14) To have and exercise all the powers necessary and convenient to carry into effect the purpose for which the corporation is formed. As amended by act approved May 3, 1945, L.1945, p. 570.

¹ Section 154 of this chapter.

² Probably should read "for" as prior to the amendment of 1945.

157. Acts prohibited.) § 7. No housing corporation shall:

- (1) Acquire any real property or interest therein unless it shall first have obtained a certificate from the State housing board that such acquisition is necessary or convenient for the public purpose defined by this Act.

(2) Sell, transfer, or assign any real property except upon the written consent of the state housing board, except as provided in section 26, of this Act.¹ Except as otherwise provided in section 26, no real property acquired for housing purposes under this Act shall be sold, transferred or assigned within a period of ten years after its acquisition, except to another housing corporation.

(3) Pay dividends upon its stock, at a higher rate than six and one-half per cent per annum.

(4) Issue its stock, securities or obligations in an amount greater in the aggregate than the total actual final cost, as determined by the State housing board, of the lands and improvements acquired or constructed by it, plus an allowance for working capital approved by the State housing board.

(5) Mortgage any real property without first having obtained the approval of the State housing board.

(6) Issue any securities or evidences of indebtedness without first having obtained the approval of the board.

(7) Use any building erected or acquired by it for any purpose other than housing accommodation, except for stores, offices or community facilities appurtenant and incidental to housing accommodations, to the extent approved by the State housing board.

(8) Charge or accept any rental for housing accommodations in any building constructed, acquired, operated or managed by it in excess of the rates prescribed by the State housing board.

(9) Enter into contracts for the construction of buildings or for the payment of salaries to officers or employees, or for the purchase of materials, equipment or supplies, except subject to the inspection and revision of the State housing board and under such regulations as the board may from time to time prescribe.

No housing corporation or contractor employed thereby shall deny employment to any person on account of race, creed or color.

(10) Make any guaranty without the approval of the State housing board.

(11) Voluntarily dissolve without first having obtained the consent of the State housing board. As amended by act approved May 3, 1945. L.1945, p. 570.

¹ Section 176 of this chapter.

158. Name.) § 8. The name of every housing corporation organized pursuant to the provisions of this Act shall include the words "housing corporation," and no private corporation not organized under this Act shall, after the date of enactment of this Act, include the word "housing" as part of its corporate name. (As amended by act approved July 6, 1937. L.1937, p. 432.)

159. Issuance of additional stock.) § 9. No statement of the issuance of additional stock of a housing corporation shall be filed by the Secretary of State unless it shall have endorsed thereon, or be accompanied by a certificate of, the approval of the state housing board.

160. Increase or decrease of capital stock.) § 10. No certificate of increase or decrease of capital stock of a housing corporation shall be filed by the Secretary of State unless it shall have endorsed thereon, or be accompanied by a certificate of, the approval of the state housing board.

161. Amendment of articles of incorporation.) § 11. No statement of amendment to the articles of incorporation of a housing corporation shall be filed by the Secretary of State unless it shall have endorsed thereon, or be accompanied by a certificate of the approval of the state housing board.

162. Merger—Consolidation—Reorganization.) § 12. Merger, consolidation or reorganization of housing corporations shall be subject to the control and supervision of the state housing board. The amount of stock, securities and obligations to be issued by the merged, consolidated or reorganized corporation shall be approved by the state housing board, and shall not exceed the fair value of the assets as determined by the state housing board.

No statement of merger or consolidation of a housing corporation shall be filed by the Secretary of State unless it shall have

endorsed thereon, or be accompanied by a certificate of, the approval of the state housing board.

163. Dissolution.) § 13. No housing corporation shall proceed to dissolution except upon the approval of the state housing board, and the distribution of assets in dissolution shall be subject to the control and supervision of the board. No certificate of dissolution shall be filed by the Secretary of State unless it shall have endorsed thereon or be accompanied by a certificate of the approval of the state housing board.

164. Limitation on dividends.) § 14. No holder of stock or other security in a housing corporation shall receive any dividend or interest in any one year in excess of six and one-half per cent per annum upon the par value of the stock or security held by him, except to the extent to which dividends or interest payments may have been omitted in a previous year or years.

165. Fee for incorporation.) § 15. Upon the filing of a statement for incorporation of a housing corporation, the Secretary of State shall charge and collect an initial fee of twenty dollars; and he shall collect from a housing corporation the fees specified in sections 127 and 141 of "An Act to revise the law relating to corporations for pecuniary profit," filed July 13, 1933, as subsequently amended,¹ for the services therein set forth. (As amended by act approved March 19, 1934. L.1933-1934, Third Sp. Sess., p. 167.)

¹ Chapter 32 §157.127, 157.141.

166. Application of Business Corporation Act.) § 16. Corporations organized under this Act shall be subject to the provisions of "An Act to revise the law relating to corporations for pecuniary profit," filed July 13, 1933, as subsequently amended,¹ so far as the same are not inconsistent with the provisions of this Act. (As amended by act approved March 19, 1934. L.1933-34, Third Sp. Sess., p. 167.)

¹ Ch. 32, §157.1 et seq.

¹ Ill. Rev. Stat. '55-140

167. State housing board.) § 17. There is hereby created a State housing board consisting of seven members of whom not more than three shall be from any one county in the State. The Governor shall appoint the members of such board by and with the advice and consent of the Senate. Two members first appointed shall hold office until the second Monday in January, 1935, two until the second Monday in January, 1937, and three until the second Monday in January, 1939. After the expiration of the terms of office of those first appointed, their respective successors shall hold office from the second Monday in January of the year of their respective appointments for a term of six years and until their successors are appointed and qualified. In case of vacancies in such offices during the recess of the Senate, the Governor shall make a temporary appointment until the next meeting of the Senate when he shall nominate some person to fill such office, and any person so nominated, who is confirmed by the Senate, shall hold his office during the remainder of the term and until his successor shall be appointed and qualified. If the Senate is not in session at the time this Act takes effect, the Governor shall make a temporary appointment as in the case of a vacancy. Members of the State housing board shall receive no salary.

At least three members of the State housing board shall have had experience in the design, construction or management of buildings, or in the purchase and sale of real estate. No person in the employ of or holding any official relation to any housing corporation and no person holding stocks, bonds or other securities of such corporations or who is in any other manner pecuniarily interested therein, directly or indirectly, shall be appointed to or hold office as a member of the board. As amended by act approved Aug. 1, 1949. L.1949, p. 640.

168. § 18. Repealed by act approved July 6, 1937. L.1937, p. 432.

New Section 171 § 21 to be inserted p. 35 of copy of Illinois Housing Laws (Green Book) Chap. 67½ Ill. Rev. Stat.

171. § 21. Powers.) In order that it may perform the duties imposed upon it by this Act, The State Housing Board shall have power to study housing needs and conditions throughout the state to determine in what areas there exist the conditions declared in Section 2 of this Act;¹ to prepare programs for the correction of such conditions; to collect and distribute information relating to housing and study means of lowering rents and charges for dwellings by securing economy in construction, arrangement and financing of buildings; to assist in the preparation of legislation and regulations concerning housing throughout the State; to cooperate with local housing or planning boards in the political subdivisions of the state, and stimulate the creation of such bodies; to make recommendations for the enactment or amendment of building codes or ordinances relative to the construction of dwellings; to promote the replanning and replacement of areas of dwellings that are socially detrimental or economically blighted; to study the distribution of population with reference to the location of housing of industrial workers; to approve or disapprove the incorporation of housing corporations; to approve or disapprove projects for the provision of housing accommodations by such corporations; to supervise and control rents, charges, capital structure, rate of return, and area and methods of operation, and the affairs of such corporations in the manner provided by this Act; to act as the official State Planning Agency and to accept and use planning grants or other financial assistance from the federal government in aid or for the provision of planning assistance (including surveys, land use studies, urban renewal plans, technical services and other planning work, but excluding plans for specific public works) to (1) cities, other municipalities and counties having a population of less than 50,000 according to the latest decennial census, (2) any group of adjacent communities, either incorporated or unincorporated having a total population of less than 50,000 according to the latest decennial census and having common or related urban planning problems resulting from rapid urbanization, and (3) for statewide comprehensive planning work including research and coordination activity directly related to urban needs, such grants not to exceed 50 percentum of the work for which the grant is made and to be subject to the terms and conditions prescribed by the Federal Government. The State Housing Board shall make an annual report to the Governor on or before the first day of December in each year which shall contain any information in the possession of the board which it shall deem of value to the people of the State. The board may also recommend the enactment of such legislation with respect to any matter within its jurisdiction as it deems wise and necessary in the public interest. As amended by act approved July 8, 1959. L.1959, p. ____, S.B.No. 317.

¹Section 152 of this chapter.



New Section 171.1 § 21.1 to be inserted p.35 of copy of Illinois Housing Laws
(Green Book) Chap. 67½ Ill. Rev. Stat.

171.1 Disposition of funds.) § 21.1. The following funds collected and received by the State Housing Board shall be paid over to the State Treasurer for deposit in a separate fund hereinafter provided for in this section: (1) funds received or collected from cities, other municipalities and counties of less than 50,000 inhabitants, and any group of adjacent communities either incorporated or unincorporated having a total population of less than 50,000 inhabitants for planning projects for such cities, other municipalities and counties pursuant to the provision of Section 21 of this Act,¹ as amended; (2) funds received or collected from the federal government to defray half the cost of such planning projects pursuant to the provisions of the "Federal Housing Act of 1954".² Any such funds so collected or received shall be paid or turned over to and shall be held by the State Treasurer as ex officio custodian thereof, separate and apart from all public monies and funds of this State, and shall be known as the "Urban Planning Assistance Fund" to be administered by the State Housing Board. All disbursements from such fund shall be made only upon warrants of the Auditor of Public Accounts drawn upon the State Treasurer as custodian of the fund upon vouchers signed by the person or persons designated for such purpose by the State Housing Board. The Auditor of Public Accounts is authorized to draw such warrants upon vouchers so signed. The State Treasurer shall accept all warrants so signed and shall be released from liability for all payments made thereon. As amended by act approved July 8, 1959. L.1959, p. __, S.B.No. 318.

¹Section 171 of this chapter.

²42 U.S.C.A. § 1450 et seq.



169. Secretary.) § 19. The board shall have a secretary who shall be chief executive officer of the board and shall keep a record of all proceedings transactions, communications and official acts of the board and perform such other duties as the board may prescribe. The members of the board shall choose from among their number a chairman and vice-chairman.

The Board shall have power to appoint necessary agents and employees for the administration of this Act, to define their duties and fix their compensation subject to the provisions of "An Act to standardize State position titles and salary rates", enacted by the 63rd General Assembly,¹ and subject to "An Act to regulate the Civil Service of the State of Illinois", approved May 11, 1905.²

The secretary of the board and its architects, engineers and other employees shall have reimbursed to them all actual and necessary traveling and other expenses and disbursements necessarily incurred or made by them in the discharge of their official duties. The state housing board may also incur necessary expense for office furniture, stationery, printing and other incidental expenses. As amended by act approved Aug. 1, 1949. L.1949, p. 640.

¹ Ch. 127, § 168-1 et seq.

² Ch. 24½, § 1 et seq.

Amendment of 1955, effective July 1, 1957

169. Secretary—Necessary agents and employees—Travel and other expenses.) § 19. The board shall have a secretary who shall be chief executive officer of the board and shall keep a record of all proceedings, transactions, communications and official acts of the board and perform such other duties as the board may prescribe. The members of the board shall choose from among their number a chairman and vice-chairman.

The Board shall have power to obtain necessary agents and employees for the administration of this Act and to define their duties subject to the provisions of the "Personnel Code" enacted by the 69th General Assembly.¹

The secretary of the board and its architects, engineers and other employees shall have reimbursed to them all actual and necessary traveling and other expenses and disbursements necessarily incurred or made by them in the discharge of their official duties. The state housing board may also incur necessary expense for office furniture, stationery, printing and other incidental expenses. As amended by act approved July 18, 1955. L.1955, p. —, H.B.No. 694.

¹ Chapter 127, § 63b101 et seq.

170. Seal.) § 20. The board may for the authentication of its record, process and proceedings, adopt, keep and use a common seal, of which judicial notice shall be taken in all the courts of this State; and any process, writ, notice or other paper which the board may be authorized by law to issue shall be deemed sufficient if signed by the secretary of the board and authenticated by such seal; and all acts, orders, rules, proceedings, minutes, schedules, and records of the board, and all reports and documents filed with the board may be proved in any court by a copy thereof certified to by the secretary of the board with the seal of the board affixed.

171. § 21. Powers.) In order that it may perform the duties imposed upon it by this Act, the State Housing Board shall have power to study housing needs and conditions throughout the state to determine in what areas there exist the conditions declared in Section 2 of this Act;¹ to prepare programs for the correction of such conditions; to collect and distribute information relating to housing and study means of lowering rents and charges for dwellings by securing economy in construction, arrangement and financing of buildings; to assist in the preparation of legislation and regulations concerning housing throughout the state; to cooperate with local housing or planning boards in the political subdivisions of the state, and stimulate the creation of such bodies; to make recommendations for the enactment or amendment of

building codes or ordinances relative to the construction of dwellings; to promote the replanning and replacement of areas of dwellings that are socially detrimental or economically blighted; to study the distribution of population with reference to the location of housing of industrial workers; to approve or disapprove the incorporation of housing corporations; to approve or disapprove projects for the provision of housing accommodations by such corporations; to supervise and control rents, charges, capitol structure, rate of return, and area and methods of operation, and the affairs of such corporations in the manner provided by this Act; to act as the official State Planning Agency and to accept and to use planning grants or other financial assistance from the federal government in aid or for the provision of planning assistance (including surveys, land use studies, urban renewal plans, technical services and other planning work, but excluding plans for specific public works) in cities and other municipalities having a population of less than 25,000 according to the latest decennial census. Such grants not to exceed 50 percentum of the work for which the grant is made and to be subject to the terms and conditions prescribed by the federal government. The State Housing Board shall make an annual report to the Governor on or before the first day of December in each year which shall contain any information in the possession of the board which it shall deem of value to the people of the State. The board may also recommend the enactment of such legislation with respect to any matter within its jurisdiction as it deems wise and necessary in the public interest. As amended by act approved June 29, 1955. L.1955, p. —, S.B.No. 400.

¹ Section 152 of this chapter.

172. Investigations—Hearings.) § 22. The board shall have general supervision of all housing corporations and shall have power to investigate into the affairs of such corporations, and into the dealings, transactions and relationships of such corporations with third persons. Any investigation provided for by this act may be conducted by the board, or, on the direction of the board, by any member, officer or employee thereof. The board, and any member, officer or employee thereof so designated, shall have power to administer oaths, to take affidavits, to subpoena and require the attendance of witnesses and the production of books and papers of such corporations or third persons pertaining to the investigations authorized by this act, and to examine such witnesses, books and papers in relation to any matter which the state housing board has the power to investigate; to issue commissions for the examination of witnesses who are without the state, or are unable to attend before the board or are excused from attendance.

In the conduct of any investigation, inquiry or hearing neither the board nor any member, officer or employee thereof shall be bound by the technical rules of evidence and no informality in any proceeding or in the manner of taking testimony shall invalidate any order, decision, rule or regulation made by the board.

All hearings conducted by the board shall be open to the public, and all evidence presented at hearings held by the board or under its authority shall become a part of the records of the board. In cases in which the board bases any actions on reports of investigations or inquiries not conducted at hearings, such reports shall be made a part of the records of the board.

Each member, and each officer and employee of the board authorized thereby, shall have the power to examine all books, contracts, records, documents and papers of a housing corporation and by subpoena duces tecum compel the production thereof.

The board shall have power to adopt reasonable and proper rules and regulations relating to the exercise of its powers and proper rules to govern its proceedings and to regulate the mode and manner of all investigations, and hearings and to alter and amend the same.

173. Testimony of witnesses.) § 23. No person shall be excused from testifying or from producing any papers, books, accounts or documents in any investigation or inquiry or upon

any hearing ordered by the board when ordered to do so by the board or by any member, officer, or employee of the Board, upon the ground that the testimony or evidence, documentary or otherwise, may tend to incriminate him or subject him to a penalty or forfeiture. But no person shall be prosecuted or subjected to any penalty or forfeiture, for or on account of any transaction, matter or thing concerning which he may testify or produce evidence, documentary or otherwise, before the board or a member, officer or employee thereof; provided that such immunity shall extend only to a natural person who in obedience to a subpoena gives testimony under oath or produces evidence, documentary or otherwise, under oath. No person so testifying shall be exempt from prosecution and punishment for perjury committed in so testifying.

174. Subpoenas—Refusal to testify.) § 24. All subpoenas issued under the terms of this act may be served by any person of full age. The fees of witnesses for attendance and travel shall be the same as fees of witnesses before the Circuit Courts of this state, such fees to be paid when the witness is excused from further attendance, when the witness is subpoenaed at the instance of the board or of a member, officer or employee thereof, and the disbursements made in the payment of such fees shall be audited and paid in the same manner as are other expenses of the board. Whenever a subpoena is issued at the instance of a party to any proceeding before the board, the board may require that the cost of service thereof and the fee of witnesses shall be borne by the party at whose instance the witness is summoned and the board shall have power at its discretion to require a deposit to cover the cost of such service and witness fee and the payment of the legal witness fee and mileage to the witness when served with subpoena. A subpoena issued as aforesaid shall be served in the same manner as a subpoena issued out of a court of record.

Any person who shall be served with a subpoena to appear and testify or to produce books, papers, accounts or documents issued by the board or any member or officer thereof in the course of an inquiry, investigation or hearing conducted under any of the provisions of this Act and who shall refuse or neglect to appear or to testify or to produce books, papers, accounts and documents relevant to said inquiry, investigation or hearing as commanded in such subpoena, shall be guilty of a misdemeanor.

Any Circuit Court of this State, or any judge thereof, either in term time or vacation, upon application of the board or a member, officer or employee thereof, may, in his discretion, compel the attendance of witnesses, the production of books, papers, accounts and documents and the giving of testimony before the board, or a member, officer or employee thereof, by an attachment for contempt or otherwise, in the same manner as production of evidence may be compelled before said court.

175. Consolidation—Operation of more than one project.) § 25. The state housing board may permit the consolidation of two or more approved projects or the extension or amendment of any approved project or the consolidation of any approved project with a proposed project. In any of these events, the consolidated project shall be treated as an original project and an application shall be submitted as in the case of an original project and rents may be averaged throughout the consolidated or extended project. The board may likewise permit any housing corporation to organize and operate more than one project or to take over any project heretofore approved by the board and to operate it independently of other projects of the corporation. The board may decline to permit more than one project to be operated by the same housing corporation.

176. Acquisition of real property and construction of buildings—Approval by State Housing Board—Plans and specifications—Hearing on projects—Notice—Limitation on exercise of power—Alteration or modification of order—Judicial confirmation of approval—Appeal.) § 26. No housing corporation shall acquire title to any real property nor undertake any building construction without the approval of the board. The board shall approve the proposed acquisition or construction only upon the following conditions:

(a) That the project is within an area within which, under the conditions existing at the time, housing accommodations are not being provided through the ordinary operation of private enterprise to conform with reasonable standards of health, sanitation and safety, to rent at or below the average rentals for housing accommodations in the proposed project, and in such determination by the board, an area of at least one-half mile in radius shall be considered; and that such acquisition or construction is necessary or convenient for the public purposes defined in this Act.

(b) That there has been presented to the board, in such form and with such assurance as it may prescribe, a financial plan for the provision of the cost of the lands and improvements such as shall assure the successful completion and operation of the project.

(c) That it appears practicable to rent the proposed housing accommodations at prices such that for the entire project the average shall not exceed the maximum prices prescribed by the board.

(d) That the estimated costs of the project shall be proper; and the plans and specifications of the proposed construction shall conform to reasonable standards of health, sanitation, safety and provision for light and air.

The plans and specifications mentioned in the preceding paragraph shall be submitted to the city plan commission, if such there be, of the city, village or incorporated town in which the housing project is located. Such commission shall return the plans and specifications to the board within fifteen days after their receipt by the commission, together with such statements and recommendations as the commission may desire to make. It shall be within the discretion of the board to adopt or to reject any or all of such recommendations.

Projects presented to the board may include the acquisition of property for the purpose of modernizing or rehabilitating single or multiple dwellings or remodeling or altering other existing buildings into dwellings, or may be devoted solely to such modernization or rehabilitation.

Every project in whole or in part for the acquisition of land or other property for the modernization, rehabilitation or construction of single family dwellings shall contain a plan for the sale of such houses to the tenants or other purchasers, and such sale may at any time be authorized by the board in conformity with a plan of sale which has been approved by such board. Changes in such a plan may be made in the manner provided by this Act for a change of rentals.

As a condition of its approval, the board may require the acceptance by a housing corporation of the designation by the board of a banking corporation authorized to administer trusts to act as trustee in receiving the proceeds of obligations and securities sold by a housing corporation to meet the cost of a project, and in making payment therefrom for the acquisition of land or costs of improvements included in the project or to the housing corporation only upon a voucher or order of the housing corporation countersigned by the duly designated agent of the board.

The board shall hold a public hearing upon each proposed project and ten days' notice of the time, place and purpose of such hearing shall be published in a newspaper of general circulation in the city, town or village in which the proposed project is situated. If the proposed project is not situated in a city, town or village, such publication shall be in a newspaper of general circulation in the township or county. Such notice shall specify the character of the interests, rights or estates in real property sought to be acquired in connection with such project. Upon approving any project the board shall make and enter upon its records a finding based upon the facts inquired into, that the proposed project is in the public interest and is necessary for the public use, and shall enter an order thereon and shall issue to the housing corporation a certificate that the acquisition of real property required for such project is necessary and convenient for the public purposes defined by this Act. Unless the power conferred by such order is exercised within a period of two years after the entry thereof, or within two years after final action by the court or courts thereon, under the terms of this section, such order shall be null and void.

Upon subsequent application of the housing corporation which made the original application with respect to such project and upon notice and hearing as provided in the preceding paragraph, such order may be altered or modified by the board.

In all cases in which a project is approved by the board over the objection, filed in writing of, any of the owners of the real property which must be acquired by purchase, condemnation or otherwise, in order to carry out such project, or over the objection filed in writing of the owners of ten (10) per cent of the real property within one mile of such project but not included therein, or of any municipal or public corporation affected thereby, the board shall, within twenty days after such approval, file in the office of the clerk of the County Court in the county where such project is located, an application to the judge of the County Court for the confirmation of its approval. Such application shall contain copies of the finding and order of the board, a transcript of the testimony taken at the hearing, a description of the project, a statement of its location, and the reasons for its approval by the board, and shall specifically indicate any streets, alleys or other public spaces proposed to be vacated. Notice in writing of such application shall be served on all objectors ten days before the hearing thereof, specifying the date and place of hearing. The objectors or any one or more of them may, if they see fit, file with the clerk of such County Court on or before the day designated in such notice, objections to the confirmation of such project and the same shall be considered by the county judge in connection with the granting or refusal of confirmation. It shall be the duty of the county judge to examine such application and the objections thereto, and to hear such additional evidence as may be presented thereon. If, after such examination and hearing, he shall find that such approval should be confirmed, he shall mark the application "approved" and shall enter an order of record to that effect. Otherwise he shall mark the application "not approved" and enter an order to that effect.

Any party to the proceeding before the county judge shall have the right to appeal from the order of the judge of the County Court in the manner prescribed by section 33 of this Act¹ for appeals from the final order or judgment of the Circuit or Superior Court. As amended by act approved May 3, 1945. L.1945, p. 570.

¹ Section 183 of this chapter.

177. Additional duties of board.) § 27. In addition to the duties otherwise prescribed by this act, the board shall:

(a) Either through its members or agents duly authorized by it, enter in or upon and inspect the lands, property, equipment, buildings, plants and offices of a housing corporation and make personal inspection of all places to which their duties relate. Nothing in this act shall be construed to alter the provisions of the statutes of this state prescribing the qualifications of persons authorized by law to plan and to supervise the construction, enlargement or alteration of buildings.

(b) Order repairs to buildings owned or operated by a housing corporation which are necessary to protect the health and safety of the occupants thereof, or to protect the security of the investment.

(c) Order every housing corporation to do such acts as may be necessary to comply with the provisions of law, the rules and regulations adopted by the board, or the terms of any application, contract or agreement approved by the board; or to refrain from doing any acts in violation thereof.

(d) Examine every housing corporation and keep informed as to its general condition, capitalization, and the manner in which its property is constructed, leased, operated, or managed, in order to insure compliance with all provisions of law and with the orders and regulations of the board.

(e) Prescribe uniform forms and methods of keeping accounts, records and books for such corporations, and prescribe accounts to which particular outlays and receipts shall be entered, charged or credited.

(f) Require every housing corporation to file with the board annually or oftener, at such times and for such period as may be

prescribed by the board, reports containing such information and in such form as the board may prescribe, to be verified by the oath of an executive officer, manager or receiver, if any, of the corporation. Every housing corporation shall furnish to the board all information required by it to carry into effect the provisions of this act, and shall make specific answer to all questions submitted by the board.

(g) Supervise the operation of each completed project of a housing corporation, in order to enforce the provisions of this act and to protect the health and safety of the occupants; to protect the security of the investment; and to prescribe rules and regulations as to the leasing of apartments therein.

(h) From time to time make, amend and repeal rules and regulations for carrying into effect the provisions of this act.

178. Mandamus or injunction by board against housing corporation.) § 28. Whenever in the judgment of the board a housing corporation fails or omits, or is about to fail or omit to do anything required of it by law or by order of the board, or does or is about to do, or permits or is about to permit to be done anything contrary to or in violation of law or any order of the board, or anything which is improvident or prejudicial to the interests of the public, its tenants, lienholders, mortgagees, creditors, or the holders of its securities or obligations, the board shall commence an action or proceeding in the Circuit Court of the county in which the premises are situated or in which the principal offices of the corporation are located for the purpose of stopping such act or omission, or preventing such threatened act or omission, either by mandamus or injunction.

179. Review of decisions of board.) § 29. Appeals shall lie to the Appellate or Supreme Court to review the final orders, judgments, or decrees of the court in an action or proceeding brought pursuant to section 28.¹ Such appeals shall be prosecuted in the manner provided in the Civil Practice Act² and all existing and future amendments thereto and modifications thereof and the rules now or hereafter adopted pursuant to said Act. (As amended by act approved June 28, 1935. L.1935, p. 568.)

¹ Section 178 of this chapter.

² Ch. 110, § 1 et seq.

180. Schedule of maximum rents—Hearing—Notice—Charges on which rents to be based—Reserve fund for purchase of securities or obligations held by tenants.) § 30. For the housing accommodations in each project operated by a housing corporation, the board shall prescribe and may alter a schedule of maximum rents. A hearing for the purpose of prescribing or altering such rents may be had upon motion of the board or upon application of any party in interest. An order prescribing or altering schedules of rents shall be made only after public hearing, ten days' notice of the time and place of which shall be published in a newspaper of general circulation in the city, town or village in which the premises are located. Such rents shall be calculated to provide, together with all other income of the housing corporation, an income to the housing corporation sufficient to meet the following charges:

(a) All fixed charges, and all operating and maintenance charges and expenses, including taxes, special assessments, insurance premiums, fees paid to the board pursuant to the terms of this Act, amounts approved by the board for the amortization of indebtedness secured by mortgage upon the project, reserves and corporate expenses essential to the operation and management of the project, and depreciation reserves, if any.

(b) A dividend at a rate not exceeding the maximum permitted by this Act upon the capital stock of the housing corporation allocated by the board to the specific project. The amount of capital so allocated shall in no case exceed the final cost of the project plus the working capital authorized by the board, after deducting the obligations of the corporation secured by liens upon the project and certificates of indebtedness or other securities, the proceeds of which have been applied to the cost of the project.

(c) Such amounts as may be approved by the board as a reserve for the retirement of the securities and obligations of the corporation not secured by mortgage.

(d) Amounts approved by the board to be carried to surplus. Such surplus shall not exceed 25 per centum of the outstanding capital stock, securities and obligations of the housing corporation not secured by mortgage, allocated by the board to the project as aforesaid.

In cases where tenants of the project own stock, securities or obligations of the corporation not secured by mortgage, the board may establish regulations for the creation of a reserve for the purchase, at not more than their face value plus accrued interest or dividends, of such securities or obligations held by tenants ceasing to be occupants of the premises, and securities or obligations so purchased may be resold by the corporation. As amended by act approved May 3, 1945. L.1945, p. 570.

181. Increase of rentals beyond maximum schedule—Hearing—Notice—Filing and service of order.) § 31. Whenever it shall appear that the interest of the lienholders, mortgagees, creditors, or holders of the stock or other securities or obligations of a housing corporation cannot otherwise be adequately safeguarded, the board shall have power, upon written application of a housing corporation or of a lienholder, mortgagee, creditor, or of the holders of at least ten per cent of stock or other securities or obligations of the corporation, to make an order authorizing the corporation to increase rentals beyond the maximum previously prescribed, as follows:

(a) If the application is made before the occupancy of any housing accommodations in the project, such order shall be made after public hearing ten days' notice of the time, place and purpose of which shall be published in a newspaper of general circulation in the city, town or village in which the premises are situated. If it shall appear at such hearing that owing to causes beyond the control of the corporation or contingencies which could not reasonably have been anticipated the maximum rentals previously prescribed, together with the other income of the corporations, are insufficient to meet the charges specified in section 30 of this Act,¹ and it shall further appear that such insufficiency cannot be met by reasonable economies in the management and operation of the project, the board may so certify by order and authorize an increase of rentals only to the extent necessary to meet such charges.

(b) If the application is made after the occupancy of any of the housing accommodations in the project, such order shall be made only after public hearing. Ten days' written notice of the time, place and purpose of such hearing shall be served upon the tenants in the manner prescribed by the board and shall have annexed thereto a copy of the application for increase in rents, setting forth a schedule of the proposed increased rentals. Ten days' notice of the time, place and purpose of the hearing shall also be published in a newspaper of general circulation in the city, town or village in which the premises are situated. If upon such hearing, it shall appear that by virtue of changes in economic conditions affecting the project or by virtue of additional special assessments or causes beyond the control of the corporation, or contingencies which could not reasonably have been anticipated, the maximum rents previously prescribed, together with the other income of the corporation, are insufficient to meet the charges specified in section 30 of this Act and it shall further appear that such insufficiency cannot be met by reasonable economies in the management and operation of the project, the board shall so certify and may by order authorize an increase in rents only to the extent necessary to meet such charges.

At the conclusion of each hearing the board shall make and render findings concerning the matter inquired into, and enter its order based thereon. Every order granting or refusing an increase in rents shall be at once filed with the secretary of the board, and served upon every person or corporation to be affected thereby, either by personal delivery of a certified copy thereof or by mailing in the United States mail a certified copy thereof in a sealed package with postage prepaid, to the person to be affected

thereby, or in the case of a corporation, to an officer or agent thereof upon whom a summons of a court of record may be served in an action of law. As amended by act approved May 3, 1945. L.1945, p. 570.

¹ Section 180 of this chapter.

182. Review of decision affecting rentals.) § 32. Any person affected by a final administrative decision of the board granting or refusing an application for increase in rentals pursuant to section 31 of this Act¹ or by any other final administrative decision of the Board may have a judicial review thereof in the Circuit or Superior Court of the county in which the premises are situated. The provisions of the "Administrative Review Act", enacted by the 64th General Assembly,² and all amendments and modifications thereof, and the rules adopted pursuant thereto, shall apply to and govern all proceedings for the judicial review of final administrative decisions of the board hereunder. The term "administrative decision" is defined as in Section 1 of said "Administrative Review Act".³

Except as otherwise provided by Section 26 of this Act,⁴ the provisions of this section with respect to judicial review shall apply to all final administrative decisions of the State housing board, which shall in all cases be based upon findings concerning the matter inquired into, and all parties affected by any of such orders or decisions shall have the rights herein granted.

When no review of a final administrative decision of the board is sought as herein provided, parties affected by such order or decision shall be deemed to have waived the right to have the merits of said controversy reviewed by a court and there shall be no trial of the merits of any controversy in which such order or decision was made by any court to which application may be made for a writ to enforce the same or in any other judicial proceeding. As amended by act approved June 30, 1945. L.1945, p. 577, effective Jan. 1, 1946.

¹ Section 181 of this chapter.

² Ch. 110, § 264-279.

³ Ch. 110, § 264.

⁴ Section 176 of this chapter.

183. Appeal to Supreme Court.) § 33. An appeal from a final order or judgment entered by the Circuit or Superior Court in review of a final administrative decision of the board may be taken directly to the Supreme Court in accordance with the Civil Practice Act,¹ and all existing and future amendments thereto and the rules now or hereafter adopted pursuant to said Act, by any party to the proceeding. As amended by act approved June 30, 1945. L.1945, p. 577, effective Jan. 1, 1946.

¹ Ch. 110, § 1 et seq.

184. Priority for proceedings.) § 34. Any action, proceeding, or appeal in any court arising under the provisions of this Act, or to which the board is a party, shall have priority in hearing and determination over all other proceedings pending in such court, excepting election contests. (As amended by act approved June 28, 1935, L.1935, p. 568.)

185. Excess of gross receipts.) § 35. If in any fiscal year the gross receipts of a housing corporation from any project shall exceed an amount sufficient to meet the charges with reference to that project specified in Section 30 of this act,¹ the balance shall be applied to the pro rata reduction of rentals of housing accommodations in the project, unless the directors of the corporation with the approval of the board shall deem such balance too small for effective application to that purpose.

¹ Section 180 of this chapter.

186. Renting at greater rate prohibited.) § 36. Letting, sub-letting or assignment of leases of apartments in any building owned by or operated by a housing corporation at a greater rental than prescribed by order of the board are prohibited, and all such leases, sub-leases or assignments shall be void for all purposes.

187. Use of land to conform to zoning ordinance.) § 37. The board shall not approve the use of land or the erection or use of buildings by a housing corporation in contravention of any zoning or building ordinance or officially adopted plan of the political subdivision of the state in which such land or building lies.

188. Eminent domain.) § 38. The acquisition by eminent domain of real property or any interest therein by a housing corporation shall be in the manner provided by an act entitled "An Act to Provide for the Exercise of the Right of Eminent Domain" approved April 10, 1872, as amended.¹

Such acquisition by eminent domain shall be limited to the interests, rights or estates, the character of which is specified in the notice of hearing under Section 26,² and to the areas of projects authorized in accordance with Section 26 of this act; and it may be exercised only by the housing corporation authorized to acquire and construct such project.

The power of eminent domain shall not be exercised by a housing corporation except with specific authorization of such action by the board following the acquirement either by purchase or by duly authenticated option to purchase by such corporation of at least one-half of the net land area needed for such housing project.

Upon the filing of any petition of a housing corporation in the exercise of the power of eminent domain conferred by this act, the court shall require a bond, with sufficient surety, in such an amount as the court shall determine, conditioned for the payment by the petitioner of all costs, expenses and reasonable attorney's fees paid or incurred by the defendant or defendants in case the petitioner shall dismiss its petition before the entry of an order by the court authorizing the petitioner to enter upon and use the property or in case the petitioner shall fail to make payment of full compensation¹ within the time named in such order.

¹ Ch. 47, § 1-16.

² Section 176 of this chapter.

189. Fees for examinations and inspections.) § 39. The board shall charge and collect from a housing corporation reasonable fees in accordance with rates to be established by the rules of the board for the examination of plans and specifications and the inspection of buildings during construction, an amount not to exceed one-half of one per cent of the cost of the project; for the holding of a public hearing upon application of a housing corporation, an amount sufficient to meet the reasonable costs of advertising the notice thereof and of the transcript of testimony taken thereat; for any other examination or investigation made upon application of a housing corporation, an amount reasonably calculated to meet the expenses of the board incurred in connection therewith. The board may authorize a housing corporation to include such fees as part of the cost of a project, or as part of the charges specified in Section 30 of this Act,¹ pursuant to rules to be established by the board.

¹ Section 180 of this chapter.

190. Terms defined.) § 40. As used in this Act:

"Board" shall mean the State housing board created by this Act.

"Community facilities" shall include land, buildings and equipment for recreation, for social assembly, for education or health or welfare activities, for the use primarily of tenants of housing accommodations of a housing corporation.

"Cost" of land shall include all of the following items paid by a housing corporation in connection with the acquisition thereof when approved by the board; all amounts paid to the vendor on account of the purchase price, whether in cash, securities or property; the unpaid balance of any obligation secured by mortgage remaining upon the premises or created in connection with the acquisition; all accounts paid for surveys, examination and insurance of title; attorneys' fees; brokerage; all awards paid in condemnation and court costs and fees; all documentary and

stamp taxes and filing and recording fees and fees of the board and other expenses of acquisition approved by the board; and shall also include all special assessments for benefit upon the premises approved by the board whether levied before or after the acquisition.

"Cost" of buildings and improvements, shall include all of the following items when approved by the board; all amounts, whether in cash, securities or property, paid for labor and materials for site preparation and construction, for contractor's and architects' and engineers' fees, for fees or permits of any municipality, for workmen's compensation, liability, fire and other casualty insurance, for charges of financing and supervision, for property taxes during construction and for interest upon borrowed and invested capital during construction, for fees of the board, and other expenses of construction approved by the board.

"Person" shall be deemed to include firm, association, trust or corporation.

"Project" shall mean all lands, buildings and improvements acquired, owned, managed, or operated by a housing corporation designed to provide housing accommodations and community facilities, stores and offices appurtenant or incidental thereto, which are planned as a unit, whether or not acquired or constructed at one time, and which ordinarily are contiguous or adjacent to one another. The buildings need not be contiguous or adjacent to one another, and a project may be entirely composed of either single or multiple dwellings or may include both single and multiple dwellings. As amended by act approved May 3, 1945. L.1945, p. 570.

191. Partial invalidity.) § 41. If any section, subdivision, sentence or clause of this act is for any reason held invalid or unconstitutional, such decision shall not affect the validity of the remaining portions of this act.

192. Additional powers and duties of State Housing Board.) § 42. In addition to the rights, powers and duties of the Board under this Act, it has the following powers and duties with respect to housing authorities created pursuant to "An Act in relation to housing authorities", approved March 19, 1934, as amended:¹

Whenever the Board issues a certificate for the creation of a housing authority in any county or in any city, village or incorporated town having more than twenty-five thousand inhabitants, the presiding officer of the county or of the city, village or incorporated town, as the case may be, shall as soon as possible thereafter, appoint with the approval of the Board five commissioners with initial terms of one, two, three, four and five years. Upon the approval of such appointments, the Board shall cause a certificate of such appointments and its approval thereof to be filed in the office in which deeds of property in the county are recorded. The appointment of any succeeding commissioners of a housing authority shall be subject to similar approval; and each such appointment shall be effective upon the filing by the Board of a certificate of appointment and of its approval thereof as hereinbefore provided.

No member of the Board shall be eligible to serve as a commissioner of a housing authority. As amended by act approved July 13, 1953. L.1953, p. 1147.

¹ Sections 1-19 of this chapter.

A prior section 42 which was added to act 1933, July 12, L.1933, p. 396, by act 1934, March 19, L.1933-34, Third Sp.Sess., p. 167, § 1, was repealed by act 1953, July 13, L. 1953, p. 1147.

Section added: L.1937, p. 432.

193. Removal of commissioner for incompetency, neglect or malfeasance.) § 43. Whenever it shall appear to the State housing board that a commissioner is incompetent or guilty of neglect of duty or malfeasance, the State housing board shall require such commissioner to appear before it to show cause why he should not be removed from office. At least fifteen days written notice of such a hearing shall be given to the commissioner whose conduct is in question and to all other members of the authority. At the hearing the commissioner may be represented

by counsel and may appear personally and present such pertinent evidence as he wishes or as the State housing board may request.

If after a hearing the State housing board determines that a commissioner has been incompetent or has been guilty of neglect of duty or malfeasance, it shall remove such commissioner from the authority within seven days, and there shall thereupon be deemed to be a vacancy of such office. (Added by act approved March 19, 1934. L.1933-34, Third Sp. Sess., p. 167.)

194. Additional powers of State housing board.) § 44. The State housing board shall collect and distribute information relating to the administration of housing authorities and to the construction, maintenance, and operation of their projects. The State housing board shall suggest and assist in the preparation of legislation relating to authorities and their functions. The State housing board may, in its discretion, prescribe methods and forms for keeping accounts, records and books to be used by an authority, and prescribe accounts to which particular outlays and receipts shall be entered, charged or credited. The State housing board may require an authority to file periodical reports not oftener than quarterly covering its operations and activities in a form prescribed by the State housing board and may, from time to time, require specific answers to questions upon which the State housing board may desire information.

The State housing board may investigate the conditions and affairs of an authority, its dealings, transactions or relationships and the manner in which projects are managed, and may through its members or employees enter upon and inspect the property, equipment, buildings, plants and offices of an authority and examine its books, contracts, records, documents and papers. Nothing in this Act shall be construed to alter the provisions of the statutes of this state prescribing the qualifications of persons authorized by law to plan and to supervise the construction, enlargement, or alteration of buildings. (Added by act approved March 19, 1934. L.1933-34, Third Sp. Sess., p. 167.)

195. Supervision over housing authorities.) § 45. In addition to the powers elsewhere conferred by this Act, the State housing board shall have the further powers of supervision over housing authorities provided in section 27 of this Act¹ with reference to housing corporations; except with reference to any project financed in whole or in part by the Federal government or any agency or instrumentality thereof so long as such project is supervised or controlled by the Federal government or any agency or instrumentality thereof or designee or nominee thereof. (Added by act approved March 19, 1934, Third Sp. Sess., p. 167.)

¹ Section 177 of this chapter.

196. Approval by State housing board before property acquired or construction undertaken.) § 46. Prior to the acquisition of title to any real property an authority shall submit to the State housing board data as to the location and cost of the property, and prior to the undertaking of any construction or other initiation of a project an authority shall submit to the State housing board the proposed plans, specifications and estimates of the costs and a statement of the proposed methods of financing and operating the project. An authority shall not finally acquire title to any real estate nor undertake the construction or operation of a project without the approval of the State housing board; provided that, if the State housing board shall fail within thirty days after receipt thereof to state its disapproval of the proposals or such modifications thereof as it may deem desirable, the proposals shall be deemed to have been approved as submitted. No change involving an expenditure of more than twenty-five hundred dollars shall be made in any proposal approved by the State housing board without submission to the State housing board in the manner prescribed in this section. The provisions of this section shall not apply with reference to any project which is or is to be financed in whole or in part by the Federal government or any agency or instrumentality thereof. (Added by act approved March 19, 1934. L.1933-34, Third Sp. Sess., p. 167.)

197. § 47. Repealed by act approved July 6, 1937. L.1937, p. 432.

198-250. Reserved for future legislation.

NEIGHBORHOOD REDEVELOPMENT CORPORATION ACT

AN ACT to provide for the prevention and eradication of slum and blight areas and the conservation, rehabilitation and rebuilding thereof through the medium of neighborhood redevelopment corporations with powers of eminent domain. Approved July 9, 1941, Laws 1941, vol. 1, p. 431; title as amended by act approved July 13, 1953. L.1953, p. 1138.

Be it enacted by the People of the State of Illinois, represented in the General Assembly:

251. § 1. Title of act.) This Act shall be known and may be cited as "The Neighborhood Redevelopment Corporation Law."

The Neighborhood Redevelopment Corporation Law, formerly set out under Chapter 32, Corporations, § 550.1-550.44, has been transferred and reallocated as sections 251-294 of this chapter.

Blighted area redevelopment projects; purchase of real property in, see Housing and Redevelopment, section 81 of this chapter.

Housing development and construction law, purchase of real property under, see Housing and Redevelopment, section 57 of this chapter.

Validity, *Zum v. City of Chicago*, 389-114, 59 N.E. 2d 18.

252. § 2. Necessity and purpose of act and declaration of public policy and public use.) There exist in certain urban areas of the State these degenerative conditions, at once both characteristic and causative of Slum and Blight Areas, namely:

(1) Disproportionate tax delinquency and consequent inadequacy of tax payments in relation to the cost of State and municipal services rendered;

(2) Economic deterioration of properties and impaired investments;

(3) A constant exodus of the population of such areas resulting in the further deterioration of such areas and in added costs to the municipalities of this State for the creation of new public facilities and services elsewhere;

(4) Age, physical deterioration or obsolescence of improvements in such areas particularly those improvements affording family accommodations, to such a degree as to render such areas unfit and unsafe for human use and habitation; and

(5) Prevalence of the factors conducive to ill health, transmission of disease, infant mortality, juvenile delinquency, crime and poverty.

Such Slum and Blight Areas are usually situated in the older and more centrally located portions of the cities, villages and incorporated towns involved and, once existing, spread unless eradicated. As a result of these degenerative conditions, the territories and properties embraced in Slum and Blight Areas fall into a state of non-productiveness, fail to share their due and proper portion of the taxes necessary for the support of the municipalities within whose boundaries they are situated, and ultimately become waste territories, economic and social, producing but a meager, while consuming a disproportionate, share of the public revenue raised by government to defray the cost of police and fire protection, to preserve the public health and to promote the general welfare. The drain upon the public revenue necessitated by Slum and Blight Areas, if they are permitted to remain and spread, will impair these indispensable governmental functions not only as to such areas but as to the municipalities and the State as well.

The elimination of these degenerative conditions, and the rehabilitation and rebuilding of Slum and Blight Areas, is in the best interests of the health, morals, safety and general welfare of the citizens of the State. The accomplishment of these ends by private initiative, through Neighborhood Redevelopment Corporations, supervised and regulated by the public, should be fostered, encouraged and aided. Accordingly, such elimination and rehabilitation and rebuilding, through the activities of Neighbor-

hood Redevelopment Corporations as provided by this Act, are hereby declared to be a public use, and Neighborhood Redevelopment Corporations, for these purposes, are hereby authorized to be created with the powers and subject to the public supervision and regulation as hereinafter set forth.

253. Meaning of terms.) § 3. Whenever used or referred to in this Act,¹ the terms defined in Sections 3-1 to 3-11,² inclusive, have the meanings and inclusions therein ascribed, unless a different intent clearly appears from the context. As amended by act approved July 8, 1947. L.1947, p. 685.

¹ Sections 251-294 of this chapter.

² Sections 253-1 to 253-11 of this chapter.

253-1. "Development" defined.) § 3-1. "Development" means specific work repair or improvement to put into effect a Development Plan. The term includes the Real Property, buildings and improvements owned, constructed, managed or operated by a Neighborhood Redevelopment Corporation. Added by act approved July 8, 1947. L.1947, p. 685.

253-2. "Development area" defined.) § 3-2. "Development Area" means that portion of a Slum and Blight or Conservation Area to which a Development Plan is applicable and for the Redevelopment of which portion a certificate of convenience and necessity is issued by the Redevelopment Commission. As amended by act approved July 13, 1953. L.1953, p. 1138.

253-3. "Development Cost" defined.) § 3-3. "Development Cost" means the amount determined, either prospectively or otherwise, by the Redevelopment Commission to be the actual cost of the Development and includes, among other costs, the costs of planning the Development, including preliminary studies and surveys, neighborhood planning, and architectural engineering and legal services, the costs of financing the Development, including carrying charges during construction, the cost of the Real Property included in the Development, the cost of demolition of existing structures, the costs of landscaping and roadways, the cost of installation of water, sewer and other utility services, the costs of construction, equipment and furnishing of buildings and improvements, including architectural, engineering, builders' and legal fees, the costs of reconstruction, rehabilitation, remodeling or repair of existing buildings, improvements and of utility services, the cost of management and operation until the Development is ready for use, and the cost of improving that portion of the Development Area which is to be devoted for use as a park, playground or recreation center, together with such additions to Development Cost as result from additions to the Development in accordance with the original Development Plan or amendments thereto. Added by act approved July 8, 1947. L.1947, p. 685.

253-4. "Development Plan" defined.) § 3-4. "Development Plan" means a plan for the Redevelopment of all or any part of a Slum and Blight or Conservation Area, which plan may include but is not limited to (1) land uses, residential and non-residential; (2) improvement, alteration, or vacation of major and minor streets and alleys, provision for restricted services access, and off-street parking; (3) locations and easements for public utilities; (4) community facilities; (5) landscaping and site engineering; (6) building restrictions; (7) recommended construction and repair, including new buildings, rehabilitation and conversions, demolition of designated structures, and elimination of non-conforming uses; (8) population density, ground coverage, and number of dwelling units recommended; (9) recommended standards of maintenance, and requirements of applicable health and safety ordinances; (10) zoning and/or rezoning required; (11) the sale and resale of property; (12) costs and financing arrangements of public portions of the plan; (13) recommended time table of various stages of the program; (14) any and all other steps needed to carry out the plan and includes any amendments to such a plan approved by the Redevelopment Commission,

in accordance with the requirements of Section 23 of this Act.¹ Such plan shall conform to the comprehensive plan of the municipality if any and shall provide that there shall be no discrimination on account of race, color, creed or national origin. As amended by act approved July 13, 1953. L.1953, p. 1138.

¹ Section 273 of this chapter.

253-5. "Mortgage" defined.) § 3-5. "Mortgage" means a mortgage, trust indenture, deed of trust or other instrument creating a lien on Real Property, and the indebtedness secured thereby. Added by act approved July 8, 1947. L.1947, p. 685.

253-6. "Neighborhood Redevelopment Corporation" defined.) § 3-6. "Neighborhood Redevelopment Corporation" means a corporation organized pursuant to the provisions of this Act.¹ Added by act approved July 8, 1947. L.1947, p. 685.

¹ Sections 251-294 of this chapter.

253-7. "Plan Commission" defined.) § 3-7. "Plan Commission" means the plan commission of any city, village or incorporated town as authorized by Article 53 of the "Revised Cities and Villages Act".¹ Added by Act approved July 8, 1947. L.1947, p. 685.

¹ Ch. 24, 53-1 to 53-3.

253-8. "Real Property" defined.) § 3-8. "Real Property" means lands, lands under water, structures, and any and all easements, franchises and incorporeal hereditaments and estates, and rights therein, legal and equitable, including terms for years and liens by way of judgment, mortgage or otherwise. Added by act approved July 8, 1947. L.1947, p. 685.

253-9. "Redevelopment" defined.) § 3-9. "Redevelopment" means the eradication, rehabilitation, repair and rebuilding of all or any part of the structures within a Slum and Blight or Conservation Area, and the provision for such industrial, commercial, residential or public structures or spaces as may be appropriate or necessary, including recreational and other facilities incidental or appurtenant thereto. As amended by act approved July 13, 1953. L.1953, p. 1138.

253-10. "Redevelopment Commission" defined.) § 3-10. "Redevelopment Commission" means the commission created and established pursuant to the provisions of Section 4 of this Act.¹ Added by act approved July 8, 1947. L.1947, p. 685.

¹ Section 254 of this chapter.

253-11. "Slum and Blight Areas" defined.) § 3-11. "Slum and Blight Areas" means those urban districts in which the major portion of the housing is detrimental to the health, safety, morality or welfare of the occupants by reason of age, dilapidation, overcrowding, faulty arrangement, lack of ventilation, light or sanitation facilities, or any combination of these factors. Added by act approved July 8, 1947. L.1947, p. 685.

253-12. "Conservation Area" defined.) § 3-12. "Conservation Area" shall mean an area in which the structures in fifty per cent or more of the area are residential having an average age of thirty-five years or more. Such an area is not yet a Slum or Blighted Area as defined in the Blighted Areas Redevelopment Act of 1947,¹ but such area by reason of dilapidation, obsolescence, or deterioration, or illegal use of individual structures, overcrowding of structures and community facilities, conversion of residential units into non-residential use, deleterious land use or layout or any combination of these factors may become such a Slum and Blighted Area. Added by act approved July 13, 1953. L.1953, p. 1138.

¹ Section 63 et seq. of this chapter.

254. § 4. Creation and establishment of Redevelopment Commissions.) Any city, village or incorporated town shall have the power to provide for the creation of a Redevelopment Commission to supervise and regulate Neighborhood Redevelopment

Corporations organized pursuant to the provisions of this Act to operate within the boundaries of such city, village or incorporated town. Such Redevelopment Commission shall consist of not less than three nor more than five members, one of which members shall be designated as its chairman, to be appointed by the mayor of the city, by and with the advice and consent of the city council of the city, or by the president of the village or incorporated town, as the case may be, by and with the advice and consent of the board of trustees of the village or incorporated town. Each member of the Redevelopment Commission shall hold office for a term of two years and until his successor shall be appointed and qualified. Any vacancy in the membership of the Redevelopment Commission occurring by reason of the death, resignation, disqualification, inability or refusal to act of any of the members thereof shall be filled by appointment by the mayor or president, as the case may be, by and with the advice and consent of the city council of the city or board of trustees of the village or incorporated town, as the case may be.

No person holding stocks or Mortgages in any Neighborhood Redevelopment Corporation, or who is in any other manner directly or indirectly pecuniarily interested in such Neighborhood Redevelopment Corporation, or in the Development undertaken by it, shall be appointed as a member of, or be employed by, that Redevelopment Commission to whose supervision and regulation such Neighborhood Redevelopment Corporation is subject. If any such member or employee shall voluntarily become so interested his office or employment shall ipso facto become vacant. If any such member or employee becomes so interested otherwise than voluntarily he shall within ninety days divest himself of such interest and if he fails to do so his office or employment shall become vacant.

The Redevelopment Commission shall have power, subject to the approval of the city council of the city, or of the president and the board of trustees of the village or incorporated town, as the case may be, to appoint a secretary and from time to time to employ such accountants, engineers, architects, experts, inspectors, clerks and other employees and fix their compensation.

Each member of the Redevelopment Commission shall receive such salary as shall be fixed by the city council of the city, or by the president and the board of trustees of the village or incorporated town, as the case may be, and said city council or president and board of trustees shall have power to provide for the payment of the salaries of all members and the expenses of the Redevelopment Commission.

255. § 5. Rules and regulations, seal and authentication of records, etc.) Consistent with the provisions of this Act, the Redevelopment Commission may adopt such rules and regulations and may alter, amend and repeal the same as it shall deem advisable relative to the calling, holding and conduct of its meetings, the transaction of its business, the regulation and control of its employees, the conduct of hearings, inquiries and investigations, and the performance in general of its duties and powers hereunder.

A majority of the members of the Redevelopment Commission shall constitute a quorum to transact business and no vacancy shall impair the right of the remaining members to exercise all its powers; and every order, rule or regulation of the Redevelopment Commission approved by a majority of the members thereof shall be deemed to be the order, rule or regulation of the Redevelopment Commission.

The Redevelopment Commission may adopt, keep, and use a common seal, of which judicial notice shall be taken in all courts of this State. Any notice, instrument or document which the Redevelopment Commission may be authorized by law to issue shall be deemed sufficient if signed by its secretary and authenticated by such seal. All orders, rules, regulations and records of the Redevelopment Commission, and all instruments or documents filed with it may be proved in any court of this State by a copy thereof certified by the secretary under the seal of the Redevelopment Commission.

256. § 6. Neighborhood redevelopment corporations authorized—Supervision by Redevelopment Commission.) Neighborhood Redevelopment Corporations may be organized in the manner provided by this Act¹ to acquire Real Property, to alter, renovate, demolish or rebuild existing improvements thereon, and to construct, maintain and operate a Development therein, when authorized by and subject to the supervision of the Redevelopment Commission of the city, village or incorporated town wherein the Development area is located, for the purpose of effecting the Redevelopment of Slum and Blight or Conservation Areas in the manner provided by this Act; Provided, that the business and conduct of each Neighborhood Redevelopment Corporation, until the Redevelopment of its Development Area has been achieved, shall be subject, as hereinafter provided, to the supervision and regulation of the Redevelopment Commission of the city, village or incorporated town wherein its Development Area is located. As amended by act approved July 13, 1953. L.1953, p. 1138.

¹ Section 251 et seq. of this chapter.

257. § 7. Statement of Incorporation.) Whenever three or more adult persons, citizens of the United States of America, at least two of whom shall be citizens of this State, shall desire to form a corporation under this Act, they shall sign, acknowledge and verify under oath before some officer competent to take acknowledgment of deeds, a statement of incorporation in duplicate setting forth the following:

- (1) The name of the corporation.
- (2) The name and address, including street and number, if any, of each incorporator.
- (3) A statement of the objects for which it is formed, among which shall be included the elimination of degenerative conditions and the rehabilitation and rebuilding of that Development Area whose Redevelopment it is authorized to undertake pursuant to a certificate of convenience and necessity issued by the Redevelopment Commission.
- (4) The period of duration, which shall not be more than sixty years, and which shall be without reviver.
- (5) The address, including street and number, if any, of its initial registered office in this State, and the name of its initial registered agent at such address.
- (6) The total amount of authorized capital stock.
- (7) The number of shares into which the capital stock is to be divided, and the par value thereof; if the shares are to be divided into classes of common and preferred shares, the number of shares of each class and a statement of the preferences, qualifications, limitations, restrictions, and the special or relative rights in respect of the shares of each class; Provided, that no shares shall be without par value.
- (8) The names and addresses (including street and number, if any) of the pre-incorporation subscribers to the common shares, and the amount subscribed and paid by each; Provided, that no preincorporation subscription shall be made for preferred shares.
- (9) The number of common shares which it is proposed to issue at once, and the amount of currency or legal tender to be received by the corporation therefor; Provided, that no consideration other than currency or legal tender of the United States of America shall be received by the corporation for those common shares which it is proposed to issue at once, and that such consideration shall be fully paid at the time of the filing of the articles of incorporation by the Secretary of State.
- (10) The number, names, and addresses, including street and number, if any, of the directors, at least two of whom shall be residents of this State, and the terms for which elected.
- (11) Any provision which the incorporators may choose to insert limiting or denying to shareholders the preemptive right to acquire additional shares of the corporation.
- (12) Any other provision, not inconsistent with this Act or other law which the incorporators may choose to insert, for the regulation of the business and conduct of the affairs of the corporation.

258. § 8. Filing—Issuance of certificate of incorporation.) Duplicate originals of the statement prescribed by Section 7 of

this Act¹ shall be filed in the office of the Secretary of State, on forms prescribed and furnished by the Secretary of State.

If the Secretary of State finds that such statement is in conformity with the provisions of Section 7 of this Act, he shall, when all franchise taxes, fees, and charges have been paid:

- (1) Endorse on each of such duplicate originals the word "Filed," and the month, day, and year of the filing thereof.
- (2) File one of such duplicate originals in his office.
- (3) Issue to the incorporators a certificate of incorporation to which he shall affix the other duplicate original.

¹ Section 257 of this chapter.

259. § 9. Powers of neighborhood redevelopment corporations.) Every corporation organized under this Act shall, subject to the conditions and limitations prescribed by this Act, have the following rights, powers and privileges:

(1) To have succession by its corporate name for the period limited in its certificate of incorporation; Provided, that in no instance shall corporate succession exceed sixty years.

(2) To sue and be sued in its corporate name.

(3) To have and use a common seal and alter it at pleasure.

(4) To have a capital stock of such an amount and divided into shares as may be provided in the certificate of incorporation, or any amendment thereof, subject to the conditions prescribed by Section 7 of this Act;¹ Provided, that the issuance of the shares of stock of every corporation organized under this Act shall be subject to supervision and regulation of the Redevelopment Commission, as in this Act provided.

(5) To acquire, own, use, convey and otherwise dispose of and deal in Real Property, however acquired, subject to the conditions and restrictions of this Act; Provided, that no single sale, mortgage, lease or conveyance of two-thirds or more of the corporate assets shall be made, except within a period of one year immediately preceding the expiration by lapse of time of the corporate charter, without the consent of the holders of two-thirds of all the outstanding capital stock of the corporation at any annual meeting or at any special meeting called for that purpose; Provided further, that no Real Property shall ever be acquired, owned or used by such corporation outside its Development Area.

(6) To borrow money for its corporate purposes at such rate of interest as the corporation may determine, subject to the approval of the Redevelopment Commission as in this Act provided; and to mortgage or pledge its property, both real and personal, to secure the payment thereof.

(7) To elect officers, appoint agents, define their duties and fix their compensation.

(8) Subject to the provisions of this Act, to acquire Real Property by exercise of the power of eminent domain in the manner provided by the general laws of the State relating thereto.

(9) To make and alter by-laws, not inconsistent with its articles of incorporation or with the laws of this State, for the administration and regulation of the affairs of the corporation.

(10) To conduct business in this State, subject to the provisions of this Act.

(11) To cease doing business and to surrender its charter.

(12) To have and exercise all the powers necessary and convenient to carry into effect the purposes for which the corporation is formed.

¹ Section 257 of this chapter.

260. § 10. Acts prohibited.) No Neighborhood Redevelopment Corporation shall:

(1) Acquire title to any Real Property, or any interest therein except by way of unexercised option, unless it shall first have obtained a certificate from the Redevelopment Commission, given after the hearing prescribed by Section 18 of this Act,¹ that the acquisition of Real Property and its Development in the Development Area is necessary and convenient for the public purposes defined by this Act² and is part of the public use declared by this Act.

(2) Sell, convey, lease or assign any Real Property without the imposition of those building and use restrictions which have been

assumed by the Neighborhood Redevelopment Corporation, and which shall be included in all instruments of sale, conveyance, transfer, lease or assignment: Provided, that there are excepted from this prohibition those building and use restrictions which shall have been abandoned or altered due to change in the predominant character of the locality as determined by judicial decision.

(3) Issue shares whether common, preferred, or both, in an amount greater than the Development Cost, as determined by the Redevelopment Commission, less the amount of any Mortgage thereon; Provided, that nothing herein contained shall be construed to prohibit the issuance of common shares subscribed by pre-incorporation subscription preceding the determination of the Development Cost.

(4) Sell, convey, or mortgage any Real Property without the approval of the Redevelopment Commission.

(5) Lease an entire building or entire tract of land in the Development Area to any person or corporation without the approval of the Redevelopment Commission.

(6) Acquire any Real Property outside the Development Area allotted it by the Redevelopment Commission.

(7) Change, alter, amend, add to or depart from an approved Development Plan, except as otherwise provided by this Act.

(8) Make any guarantee without obtaining the approval of the Redevelopment Commission.

(9) Reorganize without obtaining the approval of the Redevelopment Commission.

(10) Merge or consolidate with any corporation.

(11) Voluntarily dissolve without first having obtained the certificate of the Redevelopment Commission as provided in Section 13 of this Act.³

(12) Acquire title to any Real Property, or any interest therein, because of the race, color, creed, or national origin of any person owning or claiming an interest in that Real Property.

(13) Refuse to sell shares, either common or preferred, or other securities to any person on account of his race, color, creed, or national origin. As amended by act approved July 13, 1953. L.1953, p. 1138.

¹ Section 268 of this chapter.

² Section 251 of this chapter.

³ Section 263 of this chapter.

261. § 11. Name.) The name of every Neighborhood Redevelopment Corporation organized pursuant to the provisions of this Act shall include the words "Neighborhood" and "Redevelopment," and no corporation, hereafter organized under the laws of this State, nor any foreign corporation, hereafter authorized to transact business in this State, shall after the date of enactment of this Act include both the words "Neighborhood" and "Redevelopment" as part of its corporate name.

262. § 12. Certificates of compliance.) Unless it shall be accompanied by the certificate of the Redevelopment Commission, none of the following documents shall be filed by the Secretary of State:

(1) Report of issuance of shares and increases in stated capital and paid-in surplus.

(2) Amendment of articles of incorporation.

(3) Statement of redemption and cancellation of shares pursuant to Section 58 of the Business Corporation Act.¹

(4) Statement of reduction of stated capital pursuant to Section 59 of the Business Corporation Act.²

(5) State of reduction or elimination of paid-in surplus pursuant to Section 60a of the Business Corporation Act.³

The certificate of the Redevelopment Commission shall be in substantially the following form:

"The Commission certifies that it has investigated the action of the (here insert the name of the Neighborhood Redevelopment Corporation in question) proposed in the attached document and finds that the requirements of The Neighborhood Redevelop-

ment Corporation Law have been complied with by that corporation.

..... Redevelopment Commission
(Naming city, town or village)

By
Secretary."

Dated:
(Seal of Redevelopment
Commission)

- 1 Ch. 32, § 157.58.
- 2 Ch. 32, § 157.59.
- 3 Ch. 32, § 157.60a.

263. § 13. Dissolution.) No statement of intent to dissolve a Neighborhood Redevelopment Corporation, whether by voluntary consent of the shareholders or by voluntary action of the corporation, shall be filed by the Secretary of State unless it shall be accompanied by the certificate of the Redevelopment Commission that:

(1) The proposed Development Plan of the Neighborhood Redevelopment Corporation was rejected pursuant to paragraph 3 of Section 18 of this Act¹ and such rejection has not been reversed upon judicial review pursuant to Section 19 of this Act;² or

(2) The Development Plan of the Neighborhood Redevelopment Corporation was "Not Approved", after judicial review pursuant to Section 19 of this Act;² or

(3) The Neighborhood Redevelopment Corporation has failed to initiate or has failed to complete the Development within the respective time limits, or authorized extensions thereof, prescribed by the Redevelopment Commission; and that the bond prescribed by subparagraph (a) of paragraph 2 of Section 17 of this Act³ has been forfeited to the city, village or incorporated town, as the case may be, wherein the Development Area is located; or

(4) The Redevelopment Commission has found that the Redevelopment of the Development Area has been achieved.

The certificate of the Redevelopment Commission shall be in substantially the following form:

"Relative to the annexed statement of intent to dissolve (here insert the name of the Neighborhood Redevelopment Corporation in question), it is hereby certified that (here insert the appropriate one of the four above-named factors).

..... Redevelopment Commission
(Naming city, town or village)

By
Secretary."

Dated:
(Seal of Redevelopment
Commission)

- 1 Ch. 32, § 550.18.
- 2 Ch. 32, § 550.19.
- 3 Ch. 32, § 550.17.

264. § 14. Fees, franchise taxes and charges to be collected by Secretary of State.) Neighborhood Redevelopment Corporations shall incur the same fees for filing documents and issuing certificates, and the same license fees, franchise taxes and miscellaneous charges as are imposed upon private corporations by Sections 127, 128, 129, 130, 131, 132, 133, 134 and 141 of "An Act to revise the law relating to corporations for pecuniary profit," filed July 13, 1933, as subsequently amended.¹ The Secretary of State shall charge and collect such fees, taxes and charges.

¹ Ch. 32, § 157.127-157.134 and 157.141.

265. § 15. Taxation of Neighborhood redevelopment corporations.) Neighborhood Redevelopment Corporations organized under this Act,¹ notwithstanding their function in the Redevelopment of Slum and Blight or Conservation Areas, shall be subject to the same taxation, general and special, as to their assets, tangible and intangible, and as to their capital stock, as is imposed by law upon the assets and capital stock of private corporations for profit organized pursuant to the laws of this State. As amended by act approved July 13, 1953. L.1953, p. 1138.

¹ Section 251 et seq. of this chapter.

266. § 16. Application of Business Corporation Act.) Neighborhood Redevelopment Corporations organized under this Act shall be subject to the provisions of the Business Corporation Act¹ and all existing and future amendments and modifications thereof, so far as the same are not inconsistent with the provisions of this Act.

¹ Ch. 32, § 157.1 et seq.

267. § 17. Acquisition of property and construction subject to approval—Application for and issuance of certificates of convenience and necessity.) No Neighborhood Redevelopment Corporation shall acquire title to any Real Property, or any interest therein except by way of unexercised option, or institute any Development without firstly making written application to the Redevelopment Commission for approval of the proposed Development Plan in the manner hereinafter prescribed, and without secondly securing the certificate of convenience and necessity to be issued by the Redevelopment Commission upon the conditions hereinafter mentioned.

(1) The application of a Neighborhood Redevelopment Corporation for approval of its proposed Development Plan shall contain:

(a) The legal description of the proposed Development Area and the description thereof by city, blocks, street and number, if any.

(b) A statement of the character of the estates in Real Property to be acquired by the Neighborhood Redevelopment Corporation.

(c) A statement showing the present use of the Real Property in the proposed Development Area, the zoning restrictions, if any, thereon, and the private restrictions, if any, of record, and that no interest in Real Property in the proposed Development Area is to be acquired because of the race, color, creed, or national origin of any person owning or claiming an interest in that Real Property.

(d) A statement of the existing buildings or improvements in the Development Area, if any, which are to be demolished.

(e) A statement of the existing buildings or improvements, if any, in the Development Area which are not to be immediately demolished and the approximate period of time within which the demolition, if any, of each such building or improvement is to take place.

(f) A statement of the proposed improvements, if any, of each building, if any, not to be demolished immediately, and any proposed repairs or alterations of such buildings.

(g) A statement of the type, number and character of each new industrial, commercial, residential, public or other building or improvement to be erected or made.

(h) A metes and bounds description of that portion of the proposed Development Area to be devoted for a park, playground or recreation center for the use of the Development, the specific use to which such portion is to be put and the manner in which it shall be improved.

(i) A statement of those portions, if any, of the proposed Development Area (other than the portions to be devoted for a park, playground or recreation center for the use of the Development) to be left as open land area and the manner in which such portions, if any, shall be maintained.

(j) A statement of recommended changes, if any, in the zoning ordinances, necessary or desirable for the Development and its protection against blighting influences.

(k) A statement of recommended changes, if any, in streets or street levels and of recommended vacations, if any, of streets, alleys, or other public spaces.

(l) A statement in detail of the estimated Development Cost and of the proposed method of financing the Development, sufficient to give assurance that the Neighborhood Redevelopment Corporation will be able to complete and operate the Development.

(m) An estimate of the periods of time within which, after the approval of the Development Plan, the Neighborhood Redevelopment Corporation will be able firstly to initiate its Development and secondly to complete its Development, excepting unexpected delays not caused by it.

(n) A statement of the character, approximate number of units, approximate rentals and approximate date of availability of the proposed dwelling accommodations, if any, to be furnished during construction and upon completion of the Development.

(o) Such other statements or material as the applicant Neighborhood Redevelopment Corporation deems relevant, including recommendations for the Redevelopment of one or more areas contiguous to the proposed Development Area.

(2) No certificate of convenience and necessity shall be issued by the Redevelopment Commission upon application by a Neighborhood Redevelopment Corporation except upon the fulfillment of the following conditions:

(a) That the Neighborhood Redevelopment Corporation has filed with the Redevelopment Commission a bond, in form and with surety or sureties satisfactory to the Redevelopment Commission, in the penal sum of ten per centum of the estimated Development Cost as set out in the application of the Neighborhood Redevelopment Corporation but in no event to exceed \$10,000.00 payable to the city, village or incorporated town creating the Redevelopment Commission, the payment to be deposited in the general corporate fund of such city, village or incorporated town, the bond to be conditioned upon the initiation and completion of the Development within the respective time limits, or authorized extensions thereof, prescribed by the Redevelopment Commission.

(b) That the Neighborhood Redevelopment Corporation has agreed in writing to incorporate in its instruments of sale, conveyance, transfer, lease or assignment such restrictions as the Redevelopment Commission may by rule, pursuant to paragraph 1 of Section 25 of this Act,¹ impose as to the type of construction, use, landscape and architectural design of the Development.

(c) That the Neighborhood Redevelopment Corporation, other than for or in a Conservation Area, has agreed in writing to devote as a minimum ten per centum of the Development Area for a park, playground or recreation center for the use of the Development (the site or sites for which shall be determined by the Redevelopment Commission), to provide adequate financial arrangements for defraying the upkeep thereof during its corporate existence, and to place thereon, in the manner prescribed by subparagraph (b) of paragraph 2 of this Section, such use restrictions as the Development Commission may by rule impose; Provided, that in determining the proportion of open land area required by any zoning ordinance compared to the land area used for building purposes, the portion so devoted for park, playground or recreation center shall be counted as open land area.

(d) That the Neighborhood Redevelopment Corporation has agreed in writing that in selling, leasing and managing all Real Property subject to the plan there will be no discrimination against any person on account of his race, color, creed or national origin.

(e) That the Redevelopment Commission shall, after the public hearing provided by paragraph 1 of Section 18 of this Act,² have made the determinations provided in paragraph 3 of this Section 17, either originally or after the application has been remanded upon judicial review.

(3) The Redevelopment Commission, before the issuance of the certificate of convenience and necessity to a Neighborhood Redevelopment Corporation, shall determine that:

(a) The Development Area is within an area which, under the conditions existing at the time, is a Slum and Blight or Conservation Area as defined by this Act³ and that no interest in Real Property in the proposed Development Area is to be acquired because of the race, color, creed, or national origin of any person owning or claiming any interest in that Real Property.

(b) The Redevelopment of the Development Area in accordance with the Development Plan is designed to effectuate the public purposes declared in Section 2 of this Act.⁴

(c) The Development Plan conforms to the zoning ordinances, if any, applicable to the Development Area, and further conforms to the official plan of the city, village or incorporated town wherein the development Area is located, or, in the absence of such an official plan, to the plan, if any, adopted by the Plan

Commission, if any, of such city, village or incorporated town as evidenced by a report on such adopted plan prepared by such Plan Commission and on file with the Redevelopment Commission.

(d) Public facilities, including, but not limited to, fire and police protection, and recreation, are presently adequate, or will be adequate at the time that the Development is ready for use, to service the Development Area.

(e) The execution of the Development Plan will not cause undue hardship to the families, if any, occupying dwelling accommodations in the Development Area, to such a degree as to outweigh the public use defined in Section 2 of this Act to be achieved through the Redevelopment of such Development Area.

(f) The estimated Development Cost of the Development is sufficient for the proposed Redevelopment.

(h) Other than in or for a Conservation Area, no portion, greater by ten per centum in area, of the Development Area is designed by the Development Plan for use other than residential except in those instances wherein the Plan Commission, if any, of the city, village or incorporated town concerned, has filed with the Redevelopment Commission, pursuant to paragraph 1 of Section 18 of this Act, an advisory report recommending a greater portion by area than ten per centum, in which instances, no portion, greater than that so recommended, of the Development Area is designed by the Development Plan for use other than residential.

(i) The conditions prescribed by paragraph 2 of this Section have been fulfilled. As amended by act approved July 13, L.1953, L.1953, p. 1138.

¹ Section 275 of this chapter.

² Section 268 of this chapter.

³ Section 251 et seq. of this chapter.

⁴ Section 252 of this chapter.

268. § 18. Public hearing upon development plan—Issuance or denial of certificate of convenience and necessity.) (1) The Redevelopment Commission, after receipt of an application by a Neighborhood Redevelopment Corporation for approval of a proposed Development Plan, and after the conditions in subparagraphs (a), (b) and (c) of paragraph 2 of Section 17 of this Act¹ have been fulfilled, before determining the several conditions prescribed by paragraph 3 of Section 17 of this Act, shall do the following: Firstly, it shall transmit a copy of the application to the Plan Commission, if any, of the city, village or incorporated town wherein the Redevelopment Commission is acting, with the request that the Plan Commission file with it within thirty days' time such advisory report on the application as the Plan Commission may desire to make upon the appropriateness and desirability, from a municipal planning point of view, of the Development Plan proposed in the application, and upon the characterization of the proposed Development Area. Secondly, it shall after the expiration of said thirty days' time hold a public hearing upon the proposed Development Plan. Notice of the time, place and purpose of the hearing shall be published at least once each week for three consecutive weeks in a secular newspaper in general circulation in the city, village or incorporated town in which the proposed Development Area is located, which newspapers shall have been printed and published for at least six months prior to the first publication of notice, the time of the hearing to be within ten days from the last publication of notice. The notice shall specify by legal description and by city blocks, street and number, if any, the proposed Development Area and shall further specify the place where copies of the application for the approval of the proposed Development Plan are available. The Redevelopment Commission shall require the Neighborhood Redevelopment Corporation to file with the application such number of copies thereof, to be available without charge to the public as the Redevelopment Commission may by rule determine. At the time and place of such hearing, informal criticisms, suggestions and objections to the application for approval of the proposed Development Plan may be made by any party in attendance; Provided, that in each instance wherein the Plan Commission has filed with the Redevelopment Commission within the thirty days' time

its advisory report, the chairman of the Plan Commission shall designate a representative to appear before the Redevelopment Commission and be heard touching the matters and things contained in said advisory report. Within ten days after the conclusion of the hearing the Redevelopment Commission shall determine whether the proposed Development Plan fulfills the conditions prescribed by paragraph 3 of Section 17 of this Act.

(2) In the event that the Redevelopment Commission shall determine, after the hearing prescribed by paragraph 1 of this Section, that the proposed Development Plan fulfills the conditions prescribed by paragraph 3 of Section 17 of this Act, the Redevelopment Commission shall make and enter upon its records an appropriate order approving the Development Plan, prescribing the respective time limits within which the Neighborhood Redevelopment Corporation shall firstly initiate and shall secondly complete the Development and reserving jurisdiction to extend the time limits upon application filed in the manner prescribed by Section 20 of This Act,² and reciting as findings the determinative conditions and such additional findings as the Redevelopment Commission deems appropriate. Whenever a Development Plan, as approved, would be more adapted to effectuate the public use defined in Section 2 of this Act³ through the vacation of streets, alleys or other public spaces, or through the amendment to the zoning ordinance or ordinances applicable to the district wherein the Development Area is located, or through both such vacation and amendment, the Redevelopment Commission shall specify in its order the extent of the vacation or the desired amendment to the zoning ordinance or ordinances, or both as the case may be, and that the vacation or amendment is, or both the vacation and amendment are, appropriate to the Redevelopment sought to be achieved. A copy of the order approving the Development Plan shall immediately upon its entry be posted in the place where the hearing was held and, in order to initiate judicial review of the order, written objections thereto may be filed with the Redevelopment Commission within twenty days after its entry, but not thereafter, by any one or more of the owners or lienors of the Real Property which must be acquired, by purchase, condemnation or otherwise, in order to effectuate the Development Plan, or by any municipal corporation or agency thereof, or by any public corporation affected thereby. Concurrently with the entry of the order by the Redevelopment Commission, it shall issue to the Neighborhood Redevelopment Corporation a certificate that the acquisition of Real Property and its Development in the Development Area is necessary and convenient for the public purposes to be served thereby and is part of the public use declared by this Act.⁴

(3) In the event that the Redevelopment Commission shall determine, after the hearing prescribed by paragraph 1 of this Section, that the proposed Development Plan does not meet the conditions prescribed by paragraph 3 of Section 17 of this Act, the Redevelopment Commission shall make and enter upon its records an appropriate order rejecting the Development Plan, specifying in detail therein the determinative condition or conditions not fulfilled and for reason of which the rejection was ordered. Not earlier than forty days and not later than fifty days from the date of the entry of the order, the Redevelopment Commission, unless a judicial review of its order of rejection shall have been initiated pursuant to Section 30.01 of this Act,⁵ shall return the bond and agreements specified in subparagraphs (a), (b) and (c) of paragraph 2 of Section 17 of this Act. As amended by acts approved June 9, 1949. L.1949, p. 637.

1 Section 267 of this chapter.

2 Section 270 of this chapter.

3 Section 252 of this chapter.

4 Section 251 et seq. of this chapter.

5 Section 280-1 of this chapter.

269. §.19. Repealed by act approved June 9, 1949. L.1949, p. 637.

270. § 20. Extension of time for initiation and completion of development.) Upon application in writing filed by a Neighborhood Redevelopment Corporation with the Redevelopment

Commission for an extension of the time limit within which to initiate or to complete the Development, or both as the case may be, pursuant to the certificate of convenience and necessity possessed by the Neighborhood Redevelopment Corporation, the Redevelopment Commission shall hold a hearing and shall examine into the said application and the reasons for the failure to initiate or complete the Development, or both as the case may be, within the time limit originally allotted therefor, which reasons shall be stated in detail in the application, and the Redevelopment Commission, if satisfied that the failure was not occasioned by purposeful non-exercise, without excuse, of the authority contained in the certificate of convenience and necessity, shall grant such extension or extensions of the said time limits as the circumstances of the case may require. Nothing herein contained shall be construed to debar a Neighborhood Redevelopment Corporation from making applications for successive extensions of the time limits.

If the Redevelopment Commission shall grant an extension or extensions of the time limits, as in this Section provided, the secretary of said Redevelopment Commission shall notify in writing the surety or sureties upon the bond of the Neighborhood Redevelopment Corporation, filed pursuant to subparagraph (a) of paragraph 2 of Section 17 of this Act,¹ of the fact and duration of the extension or extensions. Every such bond made by such surety or sureties shall be subject to the power and authority of the Redevelopment Commission to authorize the extension or extensions, and no surety shall be discharged by reason of failure of notice or knowledge of the extension or extensions.

1 Section 267 of this chapter.

271. § 21. Statement of development area—Filing with Secretary of State.) (1) Not earlier than forty days and not later than sixty days from the date of the entry of the order approving a Development Plan, entered by the Redevelopment Commission pursuant to paragraph 2 of Section 18 of this Act,¹ unless a judicial review of the order shall have been initiated pursuant to Section 19 of this Act,² the Redevelopment Commission shall prepare and authenticate under its seal a statement that a certificate of convenience and necessity has been issued, pursuant to Section 18 of this Act,¹ to the Neighborhood Redevelopment Corporation, identifying it by name. The statement shall contain an identification of the Development Area of the corporation by legal description and by description by city blocks, street and number, if any, thereof. The Redevelopment Commission shall forthwith thereafter file the statement in the office of the Secretary of State.

(2) The provisions of paragraph 1 of this Section shall be applicable to the approval of an amendment to a Development Plan, made pursuant to Section 23 of this Act,³ when the amendment operates to extend the Development Area beyond its former limits.

1 Section 268 of this chapter.

2 Section 269 of this chapter, repeated.

3 Section 273 of this chapter.

272. § 22. Preference in issuance of certificates of convenience and necessity.) The Redevelopment Commission, in its issuance of certificates of convenience and necessity pursuant to Section 18 of this Act,¹ shall give preference, other things being equal, to such Neighborhood Redevelopment Corporation (as opposed to any other Neighborhood Redevelopment Corporation), the pre-incorporation subscribers to the common shares of which have been for two or more years preceding incorporation the owners of not less than ten per centum in area of the Real Property located within the proposed Development Area.

1 Section 268 of this chapter.

273. § 23. Amendments to development plans.) At any time prior to the Redevelopment of the Development Area, the Redevelopment Commission may approve an amendment to a Development Plan, but no such amendment shall be approved unless and until (1) an application therefor shall have been filed with the Redevelopment Commission by the Neighborhood Redevelopment Corporation to which a certificate of convenience and necessity

has been issued in connection with the Development Plan sought to be amended, which application shall contain the portions of the matters required by paragraph 1 of Section 17 of this Act¹ relevant to the proposed amendment; (2) the bond and written agreements required by paragraph 2 of Section 17 of this Act, if applicable to the proposed amendment, shall have been furnished the Redevelopment Commission; and (3) the Redevelopment Commission shall have determined that the proposed amendment fulfills such of the conditions prescribed by paragraph 3 of Section 17 of this Act as are relevant to the proposed amendment. The procedure relating to the determination of the Redevelopment Commission made pursuant to this Section shall be the same as is provided by Section 18 of this Act² for the determination of the Redevelopment Commission upon an initial application for approval of a Development Plan. As amended by act approved June 9, 1949, L.1949, p. 637.

1 Section 267 of this chapter.

2 Section 268 of this chapter.

274. § 24. Limitation of development area.) Neighborhood Redevelopment Corporations subject to the supervision of the Redevelopment Commission of cities, villages or incorporated towns having a population of five hundred thousand or more shall not possess at any time a Development Area less than two city blocks nor more than 160 acres, and Neighborhood Redevelopment Corporations subject to the supervision of the Redevelopment Commission of cities, villages or incorporated towns having a population of less than 500,000 shall not possess a Development Area less than one city block nor more than 40 acres, unless the Redevelopment Commission, in the interests of the orderly Redevelopment of a Slum and Blight or Conservation Area, shall, after a hearing upon its own motion or upon application of the Neighborhood Redevelopment Corporation, authorize a reduction or increase of the Development Area. It shall be in the interest of the orderly Redevelopment of a Slum and Blight or Conservation Area to increase or diminish the Development Area herein limited whenever the Development Areas of two or more Neighborhood Redevelopment Corporations operating or to operate in the same locality shall not encompass an intervening area or¹ less than two city blocks, and the Redevelopment Commission in such instances shall by rule, pursuant to paragraph 2 of Section 25 of this Act,² prescribe the conditions under which contiguity, and the extent thereof, shall be mandatory of the two or more Development Areas. The words "city block" as used in this Act³ shall mean a parcel or parcels of land bounded by and without intermediation of, streets, public waterways, railroad rights of way or other similar public spaces (not including alleys), or any combination of them. As amended by act approved July 13, 1953, L.1953, p. 1138.

1 Probably should read "of" as prior to the amendment of 1953.

2 Section 275 of this chapter.

3 Section 251 et seq. of this chapter

275. § 25. Duties of Redevelopment Commission.) In addition to the duties elsewhere in this Act provided for it, the Redevelopment Commission shall be charged with the performance of the following duties:

(1) By rules, to provide for those restrictions enumerated in subparagraphs (b) and (c) of paragraph 2 of Section 17 of this Act.¹ Such restrictions shall take into consideration: (a) the location of the Development Area with reference to transportation, educational and recreational facilities and business opportunities; (b) the use of neighboring properties; (c) the manner of Redevelopment, including the proposed use, of the Development Area; (d) zoning ordinances applicable to the district; and (e) the official plan of the city, village or incorporated town or, in the absence of such an official plan, the plan, if any, adopted by the Plan Commission, if any, of such city, village or incorporated town as evidenced by a report on such adopted plan prepared by such Plan Commission and on file with the Redevelopment Commission. In the formulation of these restrictions the suggestions of the Neighborhood Redevelopment Corporation may be

heard prior to the application for approval of its Development Plan.

(2) By rules, to prescribe the conditions, in instances where the Development Areas of two or more Neighborhood Redevelopment Corporations operating or to operate in the same locality shall not encompass an intervening area of less than two city blocks, under which contiguity, and the extent thereof, shall be mandatory of the two or more Development Areas. Those rules shall take into consideration: (a) the zoning ordinances applicable to the Development Areas; (b) the extent of similarity of use of the Development Areas and of the intervening area; and (c) the official plan of the city, village or incorporated town or, in the absence of such official plan, the plan, if any, adopted by the Plan Commission, if any, of such city, village or incorporated town as evidenced by a report on such adopted plan prepared by such Plan Commission and on file with the Redevelopment Commission.

(3) By rules, to prescribe the form of the bond required by subparagraph (a) of paragraph 2 of Section 17 of this Act.¹ In prescribing that form, the Redevelopment Commission shall take into consideration the requirements and purposes of this Act.

(4) To determine the sufficiency in amount, in form and in the sureties thereof, of the bond or bonds specified in subparagraph (d) of paragraph 1 of Section 42 of this Act;² and determine the sufficiency of the sureties of the bond required by subparagraph (a) of paragraph 2 of Section 17 of this Act.¹ In determining sufficiency of the amount of the first type of bond or bonds, the Redevelopment Commission shall take into consideration (a) the Development Cost of the Development, as established by it; (b) the cost of the work, as fixed in the contract or contracts entered into by the contractor or contractors giving bond; (c) the period of time which the performance of the work will consume; all so as to satisfy the Redevelopment Commission that, in its opinion, the amount of such bond or bonds shall be sufficient to insure the expeditious performance of the contract or contracts. In determining the sufficiency of the form of the first type of bond or bonds, the Redevelopment Commission shall be guided by any form commonly used by contractors in operations of similar character in the city, village or incorporated town. In determining the sufficiency of the security of all bonds, the Redevelopment Commission shall investigate the financial responsibility of the sureties.

(5) At any time prior to the Redevelopment of the Development Area, and through its members or agents duly authorized by it, to enter the lands, property, equipment, buildings, plants and offices of a Neighborhood Redevelopment Corporation and make personal inspection thereof. Nothing in this Act shall be construed to alter the provisions of the laws of this State or of any governmental subdivision thereof prescribing the qualifications of persons authorized to plan and to supervise the construction, enlargement or alterations of buildings.

(6) From time to time, to determine the Redevelopment pursuant to the Development Plan of parcels of Real Property within the Development Area. Prior to that determination, no sale or conveyance, and no lease of an entire building or entire tract of land, shall be approved by the Redevelopment Commission. Upon that determination being made, sales or conveyances, and leases of entire buildings or entire tracts of land, if of Real Property so determined to be redeveloped, shall be approved (such approval being required by paragraphs 4 and 5 of Section 10 of this Act³) by the Redevelopment Commission, upon application by the Neighborhood Redevelopment Corporation, without more.

(7) To determine the Redevelopment of the entire Development Area.

(8) At any time prior to the Redevelopment of the Development Area, to order every Neighborhood Redevelopment Corporation: (a) to do such acts as may be required by the provisions of law or such administrative rules and regulations as may be adopted by the Redevelopment Commission in the carrying out of the provisions of this Act or of the terms of any application, contract or agreement herein provided to be approved by the

Redevelopment Commission in the manner prescribed by this Act; and (b) to refrain from doing any acts in violation thereof.

(9) From time to time, to make, amend and repeal rules and regulations for carrying into effect the provisions of this Act.

1 Section 267 of this chapter.

2 Section 292 of this chapter.

3 Section 260 of this chapter.

276. § 26. Termination of control.) (1) Anything in this Act to the contrary notwithstanding, the supervision and regulation of any parcel of the Development Area by the Redevelopment Commission shall without more cease and determine as to that parcel whenever the Redevelopment Commission shall have made the determination of the Redevelopment of that parcel, as required by paragraph 6 of Section 25 of this Act,¹ and shall have approved a sale, conveyance or lease thereof, as required by paragraphs 4 and 5 of Section 10 of this Act.²

(2) Anything in this Act to the contrary notwithstanding, the supervision and regulation of the Neighborhood Redevelopment Corporation by the Redevelopment Commission shall without more cease and determine whenever the Redevelopment Commission shall find that the Redevelopment of the Development Area of the Neighborhood Redevelopment Corporation has been achieved. In such instance, the certificate of compliance required by Section 12 of this Act³ shall be issued by the Redevelopment Commission, upon request of the Neighborhood Redevelopment Corporation, without other requirement than the payment of the fee authorized by Section 43 of this Act.⁴

1 Section 275 of this chapter.

2 Section 260 of this chapter.

3 Section 262 of this chapter.

4 Section 293 of this chapter.

277. § 27. Investigations, inquiries and hearings.) In the discharge of its functions and duties set forth in this Act, the Redevelopment Commission shall have general supervision of all Neighborhood Redevelopment Corporations, the Development Areas of which are located within the city, village or incorporated town which has created the Redevelopment Commission, and the Redevelopment Commission shall have power to hold investigations, inquiries and hearings concerning the affairs of those Neighborhood Redevelopment Corporations, concerning their dealings, transactions and relationships with third persons, and concerning any other matters covered by the provisions of this Act. In the conduct of any investigation, inquiry or hearing the Redevelopment Commission shall not be bound by the technical rules of evidence and no informality in any proceeding or in the manner of taking testimony before the Redevelopment Commission shall invalidate any order, decision, rule or regulation there made. All hearings shall be open to the public.

The Redevelopment Commission shall have the power to administer oaths and affirmations, certify to all official acts, issue subpoenas, compel attendance and testimony of witnesses and the production of papers, books, accounts and documents.

Hearings shall be held by the Redevelopment Commission. All evidence presented at hearings shall become a part of the records of the Redevelopment Commission. In all cases in which the Redevelopment Commission bases any action on reports of investigations or inquiries not conducted as hearings, those reports shall be made a part of the records of the Redevelopment Commission.

All records of the Redevelopment Commission shall be open to the inspection of all persons without reward. The Redevelopment Commission shall have the power to examine all books, contracts, records, documents and papers of a Neighborhood Redevelopment Corporation and by subpoena duces tecum compel the production thereof.

The Redevelopment Commission shall have power to adopt reasonable and proper administrative rules and regulations relating to the exercise of its powers, and proper administrative rules to govern its proceedings and to regulate the mode and manner of all investigations, inquiries and hearings and to alter and amend the same.

278. § 28. Testimony—Immunity.) No person shall be excused from testifying or from producing any papers, books, accounts or documents in any investigation or inquiry or upon any hearing ordered or held by the Redevelopment Commission, when ordered to do so, upon the ground that the testimony or evidence, documentary or otherwise, may tend to incriminate him or subject him to a penalty or forfeiture. But no person shall be prosecuted or subjected to any penalty or forfeiture for or on account of any transaction, matter or thing concerning which he may testify or produce evidence, documentary or otherwise, before the Redevelopment Commission; Provided, that such immunity shall extend only to a natural person who in obedience to a subpoena gives testimony under oath or produces evidence, documentary or otherwise, under oath. No person so testifying shall be exempt from prosecution and punishment for perjury committed in so testifying.

279. § 29. Subpoenas—Service—Fees—Deposit—Production of books and papers—Compelling attendance or production—Deposition.) All subpoenas issued under the terms of this Act may be served by any person of full age. The fees of witnesses for attendance and travel shall be the same as fees of witnesses before the Circuit Courts of this State. Whenever a subpoena is issued at the instance of a party to any proceeding before the Redevelopment Commission, that party may be required to bear the cost of service thereof and to pay the fee of the witness, and in such case the Redevelopment Commission shall have power, in its discretion, to require a deposit to cover the cost of the service and the payment of the legal witness fee and mileage to the witness when served with subpoena. A subpoena issued as aforesaid shall be served in the same manner as a subpoena issued out of a court of record.

Any Circuit Court of this State, or any judge thereof, either in term time or vacation, upon application of the Redevelopment Commission may, in his discretion, compel the attendance of witnesses, the production of books, papers, accounts and documents, and the giving of testimony before the Redevelopment Commission, by an attachment for contempt or otherwise, in the same manner as production of evidence may be compelled before said court.

The Redevelopment Commission or any party may in any such investigation or hearing cause the deposition of witnesses residing within or without the State to be taken in the manner prescribed by law for like depositions in civil actions in the courts of this State and to that end may compel the attendance of witnesses and the production of papers, books, accounts and documents.

The Redevelopment Commission may require the production within this State at such time and place as it may designate of any books, accounts, papers or documents kept by any Neighborhood Redevelopment Corporation in any office or place without this State, or at its option, verified copies in lieu thereof, so that an examination thereof may be made by the Redevelopment Commission or under its direction.

280. § 30. Repealed by act approved June 9, 1949. L.1949, p. 637.

280—1. Review under Administrative Review Act.) § 30.01. All final administrative decisions of the Redevelopment Commission hereunder shall be subject to judicial review pursuant to the provisions of the "Administrative Review Act", approved May 8, 1945, and all amendments and modifications thereof,¹ and the rules adopted pursuant thereto. The term "administrative decision" is defined as in Section 1 of the "Administrative Review Act."² Added by act approved June 9, 1949. L.1949, p. 637.

1 Ch. 110, § 264 et seq.

2 Ch. 110, § 264.

Section 3 of the Act of 1949 provided that such act should become effective on January 1, 1950, and apply only to judicial review proceedings instituted on or after that date.

281. § 31. Repealed by act approved June 9, 1949, L.1949, p. 637.

282. § 32. City attorney to represent Redevelopment Commission on appeals.) It shall be the duty of the attorney for the city, village or incorporated town, and in the instance of the City of Chicago its corporation counsel, to represent the Redevelopment Commission created by such city, village or incorporated town in all actions and proceedings instituted by it under the provisions of this Act and to defend the orders of the Redevelopment Commission in all appeals taken therefrom or on judicial review thereof.

283. § 33. Suspension of order of Redevelopment Commission pending appeal or judicial review.) (1) The pendency of an appeal taken from an order of the Redevelopment Commission pursuant to the provisions of Section 30 of this Act,¹ shall not of itself stay or suspend the operation of the order of the Redevelopment Commission, but during the pendency of such appeal the Circuit, Appellate or the Supreme Court, as the case may be, in its discretion may stay or suspend, in whole or in part, the operation of the order of the Redevelopment Commission.

(2) The order of the Redevelopment Commission made pursuant to paragraph 2 of Section 18 of this Act² shall, however, be automatically suspended by the filing of a written objection thereto by the persons or corporations and in the time and manner prescribed by paragraph 2 of Section 18 of this Act² until the final decision of the Circuit Court or the Supreme Court, as the case may be, approving such order.

¹ Section 280 of this chapter.

² Section 268 of this chapter.

284. § 34. Mandamus or injunction by a Redevelopment Commission against neighborhood redevelopment corporations.) Whenever in the judgment of the Redevelopment Commission a Neighborhood Redevelopment Corporation fails or omits, or is about to fail or omit, to do anything required of it by law or by order of the Redevelopment Commission as in this Act provided, or does or is about to do, or permits or is about to permit to be done, anything contrary to or in violation of law or any such order, the Redevelopment Commission shall commence an action or proceeding in the Circuit Court of the county, wherein the Development Area of the Redevelopment Corporation concerned is located, for the purpose of enforcing or preventing such action or omission, either by a mandamus or injunction.

285. § 35. Review of orders in mandamus or injunction.) Appeal shall lie to the Appellate or Supreme Court, as the case may be, to review the final orders, judgments or decrees of the court in an action or proceeding brought pursuant to Section 34 of this Act.¹ Such appeal shall be prosecuted in the manner provided by the Civil Practice Act,² and all existing and future amendments thereto and modifications thereof, and the rules now or hereafter adopted pursuant to that Act.

¹ Section 284 of this chapter.

² Ch. 110, § 125 et seq.

286. § 36. Use of land to conform to zoning ordinances, etc.) Nothing in this Act shall be construed to alter the provisions of the statutes of this State with reference to zoning and planning. The Redevelopment Commission shall not approve a Development Plan or the operation of a Development by a Neighborhood Redevelopment Corporation in contravention of any zoning ordinance or in contravention of the official plan of the city, village or incorporated town or, in the absence of an official plan, of the plan, if any, adopted by the Plan Commission, if any, of the city, village or incorporated town as evidenced by a report on such adopted plan prepared by such Plan Commission and on file with the Redevelopment Commission.

287. § 37. Determination of development cost.) (1) The Redevelopment Commission shall upon the issuance of a certificate of convenience and necessity pursuant to Section 18 of this

Act¹ (unless the order by virtue of which the certificate was issued has been suspended pursuant to paragraph 2 of Section 33 of this Act)² proceed to a prospective determination of the Development Cost of the Development. In connection with such determination the Redevelopment Commission shall hold a hearing and may make such inquiry or investigation, and examine such witnesses, books, papers, accounts, documents and contracts and require the filing of such data, as it may deem of assistance. The Redevelopment Commission shall require the Neighborhood Redevelopment Corporation to disclose every interest of its directors in any transaction under investigation. The Redevelopment Commission shall have power to investigate all such transactions and inquire into the good faith thereof, to examine books, papers, accounts, documents and contracts of Neighborhood Redevelopment Corporations, construction companies or other companies or of firms and individuals with whom the Neighborhood Redevelopment Corporation shall have or shall have had financial transactions, for the purpose of enabling it to verify any statements furnished, and to examine into the cost of Real Property acquired or proposed to be acquired by such Neighborhood Redevelopment Corporation. Upon the conclusion of the hearing, the Redevelopment Commission shall determine of its own judgment the prospective Development Cost and shall issue to the Neighborhood Redevelopment Corporation a certificate stating the amount thereof as so determined. The amount as so determined shall thereafter be conclusive upon the Redevelopment Commission.

(2) A Neighborhood Redevelopment Corporation may, at any time, whether prior or subsequent to the completion of its Development, whenever it appears that the actual Development Cost will be greater in amount than the prospective determination thereof made pursuant to paragraph 1 of this Section, apply to the Redevelopment Commission for a determination of additional Development Cost. The Redevelopment Commission shall, upon such application, proceed to the determination thereof, in the same manner and with the same authority as provided by paragraph 1 of this Section. Upon the conclusion of its hearing and the determination of the application, the Redevelopment Commission shall issue to the Neighborhood Redevelopment Corporation a certificate stating the amount of the additional Development Cost, if any. The additional amount as so determined shall thereafter be conclusive upon the Redevelopment Commission.

¹ Section 268 of this chapter.

² Section 283 of this chapter.

288. § 38. Supervision of issuance of stock and mortgages.) The power of Neighborhood Redevelopment Corporations to issue shares of stock and Mortgages is a special privilege and shall be exercised only under the supervision and regulation of the Redevelopment Commission, acting for the State, according to the provisions of this Act and under such administrative rules and regulations as may be adopted by the Redevelopment Commission in discharging the functions given it by this Act.

289. § 39. Limitation upon issuance of stock and mortgages.) (1) A Neighborhood Redevelopment Corporation may issue shares and certificates of shares, both common and preferred, and Mortgages, both senior and junior, in an amount, all securities in all, not to exceed the Development Cost of the Neighborhood Redevelopment Corporation, determined as provided by Section 37 of this Act.¹ For the purpose of the enforcement of this provision, prior to the issuance of securities the Neighborhood Redevelopment Corporation shall make application to the Redevelopment Commission for an order approving the issuance and stating the amount thereof and the purpose or purposes to which the securities or the proceeds thereof are to be applied; Provided, that the securities shall be issued for the following purposes and for no others, namely: For the defrayment of Development Cost, or for the discharge or refunding of securities originally issued to defray such Development Cost. Upon the approval of the application, the Neighborhood Redevelopment Corporation may proceed to issue the securities described in the application in the amount

and for the purpose or purposes so approved; Provided, that the prior approval of the Redevelopment Commission shall not be requisite to the issuance of the common shares of Neighborhood Redevelopment Corporation issued upon pre-incorporation subscription as provided in paragraph 9 of Section 7 of this Act;² Provided, further, that nothing herein contained shall be taken as exempting such securities from the provisions of The Illinois Securities Law,³ unless by the terms of that law the securities shall be so exempt.

(2) The provisions of paragraph 1 of this Section shall apply, as far as pertinent, to any change in the capital structure of a Neighborhood Redevelopment Corporation, whether effected by increase or decrease of capital stock, by amendment to the articles of incorporation, or otherwise.

(3) No Neighborhood Redevelopment Corporation shall apply the securities, or any part thereof, or any of the proceeds thereof, to any purpose not specified in the order of the Redevelopment Commission or to any purpose specified in the order of the Redevelopment Commission in excess of the amount authorized for that purpose. No Neighborhood Redevelopment Corporation shall issue or dispose of the securities on any terms less favorable than those specified in the order of the Redevelopment Commission. The Redevelopment Commission shall have the power to require Neighborhood Redevelopment Corporations to account for the disposition of the proceeds of the securities in such form and detail as it may find to be advisable, and to establish such administrative rules and regulations as it may find to be reasonable and necessary to insure the disposition of those proceeds for the purpose or purposes specified in the Act.

(4) The fact that the Redevelopment Commission has approved the issuance of the securities shall not be held to mean that the Redevelopment Commission has in any way endorsed their merits, and it shall be unlawful for any person or corporation so to represent.

¹ Section 287 of this chapter.

² Section 257 of this chapter.

³ Ch. 121½, § 96 et seq.

290. § 40. Stocks and mortgages unlawfully issued.) All shares and certificates of shares and all Mortgages of a Neighborhood Redevelopment Corporation issued without an order of the Redevelopment Commission approving such issuance, except the issuance of common shares upon pre-incorporation subscription, shall be void; and likewise every share and certificate of share and every Mortgage issued with the approval of the Redevelopment Commission, but not conforming in its provisions to the provisions, if any, which it is required by the order of approval of the Redevelopment Commission to contain, shall be void, but no failure in any other respect to comply with the terms or conditions of the order of approval of the Redevelopment Commission shall render void any such security except as to a corporation or person taking the same with notice of the failure to comply with the order of the Redevelopment Commission.

291. § 41. Who may invest in mortgages of neighborhood redevelopment corporations.) The State and all counties, cities, villages, incorporated towns and other municipal corporations, political subdivisions and public bodies, and public officers of any thereof, all banks, bankers, trust companies, savings banks and institutions, building and loan associations, savings and loan associations, investment companies and other persons carrying on a banking business, all insurance companies, insurance associations and other persons carrying on an insurance business, and all executors, administrators, guardians, trustees and other fiduciaries, may legally invest any sinking funds, money or other funds belonging to them, or within their control in any Mortgage of a Neighborhood Redevelopment Corporation approved in its issuance as in Section 39 of this Act provided,¹ it being the purpose of this section to authorize the investment in such Mortgages of all sinking, insurance, retirement, compensation, pension and trust funds, whether owned or controlled by private or public persons or officers; Provided, that nothing contained in this section shall be construed as relieving any person, firm or corporation from

any duty of exercising reasonable care in the selection of securities. As amended by act approved July 13, 1953. L.1953, p. 1138.

¹ Section 289 of this section.

292. § 42. Proceedings to condemn real property.) (1) Before a condemnation proceeding may be instituted by a Neighborhood Redevelopment Corporation, such Neighborhood Redevelopment Corporation shall present to the Redevelopment Commission an application requesting approval of the proposed condemnation proceeding, which shall contain, among other things:

(a) The legal description, and the description thereof by city blocks, street and number, if any, of the Real Property proposed to be condemned, and the character of the estates, in fee-simple or otherwise, thus to be acquired.

(b) Proof that such Real Property is within the Development Area of the applicant Neighborhood Redevelopment Corporation.

(c) Proof that the Neighborhood Redevelopment Corporation has acquired by purchase or has secured options to purchase sixty per centum or more in area of the land within the Development Area, or, in alternative, that the owners of sixty per centum or more in the area of the land within the Development Area have, by an instrument in writing duly signed and acknowledged and delivered to the Neighborhood Redevelopment Corporation, assented to and consented to be bound by the terms and provisions of the Development Plan of the Neighborhood Redevelopment Corporation as to themselves and their property.

(d) A copy of any proposed contract or contracts with contractors for the work proposed to be done in the Development of the Development Area, and a copy of any bond or bonds to be required by the Neighborhood Redevelopment Corporation from the contractors to insure the performance of the contract or contracts.

(2) The Redevelopment Commission shall determine within a reasonable time thereafter the sufficiency of the statements in the application and the verity of the copies of the contracts and bonds appended to the application. If the Redevelopment Commission finds:

(a) That the determination should be in the affirmative;

(b) That the bond or bonds are sufficient in form, amount and security; and

(c) That the Development Plan of the applicant Neighborhood Redevelopment Corporation has been approved by the Redevelopment Commission and the procedure for judicial review thereof has not been initiated within the time prescribed by this Act,¹ or, if a judicial review has been so initiated, that a final order shall have been had, as specified in Section 19 of this Act,² whereby the Development Plan was "Approved", then the Redevelopment Commission shall issue to the applicant Neighborhood Redevelopment Corporation a certificate of approval of the institution of the proposed condemnation proceedings, which certificate shall contain a legal description of the Real Property proposed to be condemned and the character of the estates, in fee-simple or otherwise, thus to be acquired, the facts so determined with respect thereto, and a statement that the Real Property proposed to be condemned is required for a public use and that its acquisition for such use is necessary and convenient.

(3) The acquisition by condemnation of Real Property by a Neighborhood Redevelopment Corporation shall be in the manner provided by "An Act to provide for the exercise of the right of eminent domain", approved April 10, 1872, as amended.³

(4) The provisions of this section shall be applicable to any proceeding to condemn Real Property pursuant to a Development Plan amended in accordance with Section 23 of this Act;⁴ Provided however, that in the instance of the increase of a Development Area pursuant to Section 24 of this Act,⁵ the provisions of subparagraph (c) of Paragraph 1 of this section shall not apply to the additional area forming the increase. As amended by act approved July 13, 1953. L.1953, p. 1138.

¹ Section 251 et seq. of this chapter.

² Section 269 of this chapter, repealed.

³ Ch. 47, § 1 et seq.

⁴ Section 273 of this chapter.

⁵ Section 274 of this chapter.

293. § 43. Fees of Redevelopment Commission for examinations, hearings, supervisions and inspections.) (1) The Redevelopment Commission shall charge and collect the following fees:

(a) For copies of papers and records not required to be certified or otherwise authenticated by it, ten cents for each folio; for certified copies of evidence and proceedings before it or of official documents and orders filed in its office, fifteen cents for each folio and one dollar for every certificate under seal affixed thereto; for certificates required by Sections 12, 13 and 21,¹ twenty dollars for each certificate. Such fees are to be charged to and collected from the person or corporation requesting these services.

(b) For the examination of any proposed Development Plan, or amendments thereto, and the inspection of buildings during construction, one-eighth of one per centum of the Development Cost, to be charged to and collected from the Neighborhood Redevelopment Corporation concerned.

(c) For the determination of Development Cost, one-eighth of one per centum thereof, to be charged to and collected from the Neighborhood Redevelopment Corporation concerned.

(d) For the supervision of the issuance of stock and Mortgages, permission to issue which is granted to Neighborhood Redevelopment Corporations, an amount equal to ten cents for every hundred dollars of such securities, to be charged to and collected from the Neighborhood Redevelopment Corporation concerned.

(e) For the holding of any hearing, examination or investigation upon application of a Neighborhood Redevelopment Corporation, an amount sufficient to meet the reasonable costs

and expenses thereof, to be charged to and collected from the Neighborhood Redevelopment Corporation concerned.

(f) For the defense of any appeal or judicial review taken or initiated by the Neighborhood Redevelopment Corporation from or upon an order issued by the Redevelopment Commission, its reasonable expenses incurred thereby, to be charged to and collected from the Neighborhood Redevelopment Corporation concerned.

(2) All fees charged and collected by the Redevelopment Commission shall be paid not less than ten days after the receipt thereof to the city, village or incorporated town, as the case may be, by which the Redevelopment Commission was created, and shall be credited to its general corporate fund.

(3) The Redevelopment Commission may authorize the Neighborhood Redevelopment Corporation to include the fees paid by it under paragraph 1 of this Section as part of its Development Cost.

¹ Sections 262, 263 and 271 of this chapter.

294. § 44. Partial invalidity.) If any clause, sentence, paragraph, section or part of this Act shall be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, paragraph, section or part thereof directly involved in the controversy in which the judgment shall have been rendered.

II
State Contributions
CHAPTER 67½

Housing Authorities

State Contribution

Illinois Revised Statutes, 1945, State Bar Association Edition

Sections 51 § 1 — 52 § 2

Although "An Act to promote the improvement of housing," approved July 26, 1945, L.1945, p. —, S.B.No.339, Sections 51 1-52 § 2, Chapter 67½—Housing Authorities—State Contribution—Illinois Revised Statutes, 1945, State Bar Association Edition, was repealed by "An Act to facilitate the development and construction of housing, to provide governmental assistance therefor, and to repeal an Act herein named," approved July 2, 1947, L.1947, p. —, S.B.No.549, Sections 53 § 1-62 § 10, Chapter 67½—Housing and Development—Illinois Revised Statutes, 1947, State Bar Association Edition, and the same eliminated from Chapter 67½—Housing and Development—Illinois Revised Statutes for the years 1947, 1949, 1951, 1953 and 1955 State Bar Association Editions, nevertheless said Act has been included herein because continued use of the funds as provided in said Act was authorized by the repealing Act approved July 2, 1947, as therein provided, and a number of Equivalent Elimination Agreements, as authorized by said Act, and a number of other matters still are outstanding.

STATE CONTRIBUTION

AN ACT to promote the improvement of housing. Approved July 26, 1945. L.1945, p. —, S.B.No.339.

Be it enacted by the People of the State of Illinois, represented in the General Assembly:

51. State to contribute to improvement of housing.) § 1. The State shall contribute to the investigation and improvement of low-standard and unsanitary housing in urban and rural areas of the State, in the manner provided by this act.¹

¹ Sections 51, 52 of this chapter.

52. Grants to housing authorities and land clearance commissions—Creation of land clearance commission—Disposition of land acquired—Reports—Use of funds.) § 2. Any housing authority now or hereafter organized under the law of this State and any Land Clearance Commission organized under this Act¹ may apply to the State Housing Board for the grant of a sum from the amount appropriated by this Act. No such authority or commission shall apply for a sum larger than the proportion of the population of its area of operation to the population of the State; and where such an authority and such a commission have the same area of operation, the total amount of grants if made to both shall not exceed such proportion of the area of operation. No applications for grants under this Act shall be approved within a period of three months after the coming into effect of this Act.

The governing body of any city, village or incorporated town or of any county may create a land clearance commission, as a municipal corporation, in the same manner, with the same area of operation, with the same powers and duties, and subject to the same supervision as a housing authority organized under "An Act in relation to housing authorities," approved March 19, 1934, as amended,² except that it shall have no authority to build or operate housing.

The application for a grant shall be accompanied by a statement of the housing conditions to which it is proposed to apply the grant, together with a statement of the uses to which the grant is to be applied.

No grant to a housing authority shall be made unless the au-

thority shall present with its application an agreement with the governing body or bodies of its area of operation that any project or projects for low-rent housing to be financed in whole or in part from such grant include the elimination by demolition, condemnation and effective closing, or the compulsory repair or improvement of unsafe or unsanitary dwellings situated in the locality or area of the housing authority, substantially equal in number to the number of newly constructed dwellings provided by the project or projects, except that such elimination may, in the discretion of the State Housing Board, be deferred in any locality or area where the shortage of decent, safe or sanitary housing available to families of low income is so acute as to force dangerous overcrowding of such families.

Upon a showing of need of a grant from the amount appropriated and that the sum so granted will be satisfactorily employed by the body applying therefor, the chairman of the State Housing Board shall transmit to the Auditor of Public Accounts a statement of approval and of the amount of grant, and such amount shall be paid from the appropriation hereinafter made. Such payment completes all obligations assumed by the State under the provisions of this Act.

The amount so granted shall be deposited in a separate fund, and shall be applied to the planning of standard housing; the acquisition of real property by eminent domain or otherwise, the construction and operation of housing projects; the rental, sale or lease of such property in the development of housing facilities; to any other purposes necessary for clearance of slum and blight areas and for the development of adequate housing, whether urban or rural; and to all purposes authorized by the "Housing Authorities Act," approved March 19, 1934, as amended,² except that a land clearance commission shall have no authority to build or operate housing.

Subject to the approval of the State Housing Board, real property acquired by a housing authority through the use of the fund may be exchanged with or sold or leased (1) to housing corporations operating under "An Act in relation to housing," approved July 12, 1933, as amended;³ (2) to neighborhood redevelopment corporations operating under "The Neighborhood Redevelopment Corporation Law," approved July 9, 1941;⁴ (3) to insurance companies operating under section 125 of the "Illinois Insurance Code," approved June 29, 1939, as amended;⁵ and (4) to any individual or corporation presenting an adequate plan for the development or redevelopment of such property, together with a bond with satisfactory sureties of not less than ten per cent of the cost of such development or redevelopment, conditioned upon the completion of such development or redevelopment.

Subject to the approval of the State Housing Board, real property acquired by a land clearance commission through the use of the fund shall, within five years after its acquisition unless disposition within that period is found detrimental on hearing by the State Housing Board, be transferred, sold or leased in whole or in part to (1) a county, municipality, town or village for park or other public purposes; (2) housing corporations operating under "An Act in relation to housing," approved July 12, 1933, as amended;³ (3) neighborhood redevelopment corporations operating under "The Neighborhood Redevelopment Corporation Law," approved July 9, 1941;⁴ (4) insurance companies operating under Section 125 of the "Illinois Insurance Code," approved June 29, 1939, as amended;⁵ (5) housing authorities operating within its area of

operation; and (6) to any individual or corporation presenting an adequate plan for the development or redevelopment of such property, together with a bond with satisfactory sureties of not less than ten per cent of the cost of such development or redevelopment, conditioned upon the completion of such development or redevelopment.

The sum granted by the State under the terms of this Act shall be paid to and become a fund of the body to which the grant is made, but an annual report of the use of such fund shall be made to the State Housing Board, and the use of such fund shall be subject to the provisions of the "Housing Authorities Act," approved March 19, 1934, as amended.² In its annual report to the Governor the State Housing Board shall present a detailed statement regarding the fund of each body to which a grant has been made, and the uses to which such fund has been applied.

No housing authority nor land clearance commission shall re-invest or use any funds arising from the rental, sale or exchange of any property acquired with funds appropriated under this act except with the approval of the State Housing Board.

Upon a change of the territorial boundaries of a body to which a grant has been made, such funds as remain from such grant shall be allocated on the basis of population.

1 Sections 51, 52 of this chapter.

2 Sections 1-19 of this chapter.

3 Chapter 32, § 504 et seq.

4 Chapter 32, § 550.1-550.44.

5 Probably should read "1937, as amended"; Chapter 73, § 737.

(§ 3. The sum of \$10,000,000 or as much thereof as may be necessary is hereby appropriated to the State Housing Board for the purpose of making the grants authorized by this Act.)

(§ 4. The appropriation herein made is subject to the provisions of "An Act in relation to State Finance," approved June 10, 1919, as amended.)

While no funds were appropriated in "An Act to facilitate the development and construction of housing, to provide governmental assistance therefor, and to repeal an Act herein named," approved July 2, 1947, L.1947, p. —, S.B.No.549, Sections 53 § 1-62 § 10, Chapter 67½—Housing and Redevelopment—Illinois Revised Statutes, 1947, State Bar Association Edition, nevertheless funds were appropriated by Senate Bill No. 662, as duly passed and approved July 21, 1947 entitled "An Act making appropriations for certain additional ordinary, contingent and distributive expenses of State government" as follows:

FOR AN ACT making appropriations for certain additional ordinary, contingent and distributive expenses of State government —

SEC. 7 There is appropriated to the State Housing Board the following sums, or so much thereof as may be necessary, for the objects and purposes and in the amounts set forth below as follows:

For the making of grants to Land Clearance Commissions as provided in and pursuant to "An Act in relation to the eradication and redevelopment of slum and blighted areas; to provide for the creation of instrumentalities to aid in the accomplishment of this purpose, and to define the rights, powers and duties of such instrumentalities, and of political subdivisions and municipal corporations in connection therewith; and to make provisions for financial assistance from the State of Illinois and municipal corporations therein," enacted by the 65th General Assembly \$ 10,000,000

For the making of grants to Housing Authorities as provided in and pursuant to "An Act in relation to rehousing persons residing in areas of redevelopment projects undertaken pursuant to the 'Blighted Areas Redevelopment Act of 1947,' enacted by the Sixty-Fifth General Assembly, and to provide for State and municipal contributions therefor," enacted by the 65th General Assembly \$ 3,333,000

For the making of grants to Housing Authorities and Land Clearance Commissions as provided in and pursuant to "An Act to facilitate the development and construction of housing, to provide governmental assistance therefor, and to repeal an Act herein named," enacted by the 65th General Assembly \$ 6,567,000

For ordinary and contingent expenses of the State Housing Board incident to the administration of the acts herein cited \$ 100,000

CORPORATE AUTHORITIES OF CITIES AND VILLAGES MAY
UNDERTAKE REHABILITATION OF REDEVELOPMENT
SLUMS AND BLIGHTED AREAS:-

Chapter 24 - "Revised Cities and Villages Act", approved August 15, 1941, as amended, - Article 23 - General Powers of the Corporate Authorities - Illinois Revised Statutes, 1955, State Bar Association Edition.

(a) 23-103.1 Slums and blighted areas, rehabilitation or redevelopment of. § 23-103.1 To acquire by purchase, condemnation or otherwise any improved or unimproved real property the acquisition of which is necessary or appropriate for the rehabilitation or redevelopment of any blighted or slum area; to remove or demolish sub-standard or other buildings and structures from the property so acquired; to hold or use any of such property for public uses; and to sell, lease or exchange such property as is not required for the public purposes of the municipality. In case of sale or lease the provisions of Sections 59-1 to 59-3 of this Act inclusive shall govern except when such sale or lease is made to a public corporation or public agency. In case of exchange of property for property privately owned three disinterested appraisers shall be appointed to appraise the value of the property exchanged and such exchange shall not be made unless the property received by the municipality is equal to or greater in value than the property exchanged therefor, or if less than such value the difference shall be paid in money. For the purposes of this section a "blighted or slum area" means any area where buildings, by reason of dilapidation, over-crowding, faulty arrangement or design, lack of ventilation, light or sanitation facilities, or any combination of these factors, are a detriment to public safety, health or morals, and an area of not less in the aggregate than two (2) acres has been designated by ordinance as an integrated project for rehabilitation or redevelopment. Added by act approved April 11, 1945. L.1945, p. 484.

Use of proceeds of bonds in connection with redevelopment projects, see, also, Housing Authorities, ch. 67½, § 86, 95.

Validity. *P. ex rel. Touhy v. City of Chicago*, 394-477, 68 N.E.2d 761.

(b) 23-113. Powers of municipality. § 23-113. To borrow money or other property and accept contributions, capital grants, gifts, donations, services or other financial assistance from the United States of America, the Housing and Home Finance Agency or any agency or instrumentality, corporate or otherwise, of the United States of America for or in aid of an "Urban Renewal Project" as defined in the Act of Congress approved August 2, 1954, being Public Law 560-83rd Congress, known as the "Housing Act of 1954",¹ and which the municipality is authorized to effectuate, and to this end the municipality may comply with such conditions and enter into such agreements upon such covenants, terms and conditions as the corporate authorities may deem necessary, appropriate, convenient or desirable. The corporate authorities are hereby further empowered to issue bonds, debentures, notes, special certificates or other evidences of indebtedness in order to secure loans made pursuant hereto; provided, however, that any such bonds, debentures, notes, special certificates or other evidence of indebtedness issued hereunder shall be payable solely out of the proceeds from the sale of real property acquired in the project area, out of any revenue from the operation, management or demolition of existing buildings or improvements of any real property acquired in such project area, out of such capital grants as the municipality may receive from the United States of America or any agency or instrumentality thereof, or out of any local cash or non-cash grants-in-aid, as defined in the Act of Congress approved July 15, 1949, being Public Law 171-81st Congress, known as the "Housing Act of 1949", as amended,² including the Housing Act of 1954, which the municipality or public body or any other entity may make in connection with the implementation of such Urban Renewal Project.

Any municipality having a population of more than 500,000 is hereby authorized and empowered to enter into a contract with the United States of America or any agency or instrumentality thereof and agree to the extent authorized by law, to provide such

local grants-in-aid. Notwithstanding any other provision of this Act, such contract may contain a provision pledging the municipality to provide such local grants-in-aid over a period of time, not to exceed five years from the date of such contract. Added by act approved July 14, 1955. L.1955, p. ---, S.B.No. 657.

¹ 12 U.S.C.A. § 1701h.

² 12 U.S.C.A. § 1701d-1, 1701e, 1701f.

Chapter 24 - "Revised Cities and Villages Act", approved August 15, 1941, as amended, Article 59 - Special Powers - Sale, Lease, or Transfer of Real and Personal Property by City or Village.

SALE OR LEASE OF REAL AND PERSONAL
PROPERTY BY CITY OR VILLAGE

(c) 59-1. § 59-1. May lease or sell real estate. Any city or village incorporated under any general or special law which acquires or holds any real estate for any purpose whatsoever, except real estate granted to a municipality as commons by a grant which has been confirmed by the government of the United States, has the power to lease the real estate for any term not exceeding ninety-nine years, and to convey the real estate when, in the opinion of the corporate authorities, the real estate is no longer necessary, appropriate, required for the use of, profitable to, or for the best interests of the city or village. This power shall be exercised by an ordinance passed by three-fourths of all aldermen or trustees of the municipality, at any regular meeting or at any special meeting called for that purpose. However, the corporate authorities have the power to authorize any municipal officer to make leases for terms not exceeding two years in such manner as they may determine. The disposition of real estate acquired pursuant to Section 6 of the "Urban Community Conservation Act", approved July 13, 1953,¹ as amended, shall be exempt from the requirements of this section. As amended by act approved July 14, 1955. L.1955, p. ---, S.B.No. 657.

¹ Chapter 67½, § 91.13.

(d) 59-2. § 59-2. Ordinance for sale or lease for more than twenty years—Publication—Bids. An ordinance directing a sale, or a lease of real estate for any term in excess of twenty years, shall specify the location of the real estate and the use thereof. Before the corporate authorities of a city or village make a sale, or a lease of real estate for a term in excess of twenty years, by virtue of such an ordinance, notice of the proposal to sell, or lease for a term in excess of twenty years, shall be published once each week for three successive weeks in a daily or weekly paper published in the city or village, or if there is none, then in some paper published in the county in which the city or village is located. The first publication shall be not less than thirty days before the day provided in the notice for the opening of bids for the real estate. The notice shall contain an accurate description of the property, state the purpose for which it is used, and at what meeting the bids will be considered and opened, and shall advertise for bids therefor. All such bids shall be opened only at a regular meeting of the corporate authorities. A bid shall be accepted only upon a vote of three-fourths of all aldermen or trustees, but by a majority vote, they may reject any and all bids. The disposition of real estate acquired pursuant to Section 6 of the "Urban Community Conservation Act", approved July 13, 1953,¹ as amended, shall be exempt from the requirements of this section. As amended by act approved July 14, 1955. L.1955, p. ---, S.B.No. 657.

¹ Chapter 67½, § 91.13.

59-3. § 59-3. Deed of conveyance. When a bid has been accepted and the purchase price paid or secured, the mayor, or president, and the municipal clerk, have the power to convey the real estate and transfer it to the parties whose bids have been accepted, by proper deed of conveyance, stating therein the price therefor, with the seal of the municipality.

IV
-A-
PUBLIC BUILDING COMMISSION ACT
Act of July 5, 1955

Chapter 34 - Counties

Illinois Revised Statutes, 1955, State Bar Association Edition,
Sections 256 § 1 to 279 § 24.

- § 256. Citation of Act.
- § 257. Finding and declaration of legislature.
- § 258. Definitions.
- § 259. Resolution of governing body of county seat - necessity of commission - name - publication of resolution - filing.
- § 260. Commissioners - appointment - certificate of appointment - number of commissioners - terms of office - vacancies.
- § 261. Oath - qualifications of commissioners - interest in contracts - disclosure.
- § 262. Compensation of commissioners - reimbursement for expenditures.
- § 263. Board of commissioners - government, control and management of affairs of commission - powers - meetings - notice - officers of commission.
- § 264. Quorum - records - public inspection.
- § 265. Records - provision for safekeeping - minutes - receipts and disbursements - annual audit - bond.
- § 266. Treasurer - custodian of funds and revenues - depositories - designation and qualification.
- § 267. Employment of technical, professional and clerical assistants - compensation - loan of employees by municipal corporations - office space.
- § 268. Donations of property - cash grants to commission.
- § 269. Status of commission - actions by or against - seal - perpetual succession - powers.
- § 270. Resolution - contents - bonds - denominations - maturity - registration - interest rate - execution of bonds - coupons - refunding bonds - sinking fund.
- § 271. Trust agreements with or for bondholders - enforcement.
- § 272. Revenue bonds - legal investments.
- § 273. Levy and collection of annual tax to pay lease rentals - filing certified copy of lease or tax ordinance.
- § 274. Contracts for construction, repair, etc. - contents - bond - insurance.
- § 275. Contracts let to lowest responsible bidder - competitive bidding - advertisements for bids.
- § 276. Execution of leases, contracts, deeds, etc.
- § 277. Exemption from taxation.
- § 278. Partial invalidity.
- § 279. Liberal construction of Act.
- § 280-300. Reserved for future legislation.

PUBLIC BUILDING COMMISSION ACT

AN ACT to authorize the creation of Public Building Commissions and to define their rights, powers and duties. Approved July 5, 1955. Laws 1955, p. —, S.B. No. 607.

Be it enacted by the People of the State of Illinois, represented in the General Assembly:

256. Citation of Act.) § 1. This Act shall be known and may be cited as the Public Building Commission Act.

257. Finding and declaration of legislature.) § 2. It is hereby found and declared that there exist in many county seats within this State inadequate and outmoded public buildings and facilities in use in the conduct of local government by the various branches, departments and agencies thereof; that in many cases, by reason of the age of such public buildings and the increased activities on the part of both the citizen and his local government, they are no longer adapted or adequate to meet the needs of the growing population; that as a consequence thereof there are many counties, cities, and other branches and agencies of government

within this State which are compelled to spend large sums of money annually in the rental, operation and maintenance of additional building space to house the various branches, departments and agencies of government to meet this everincreasing need; that as a result thereof, in many of the cities, counties, and other municipalities within this State, the public buildings housing the various branches, departments, and agencies of government are widely scattered and dispersed throughout the locality, thereby creating confusion and considerable waste of time and effort on the part of citizens conducting ordinary business with the various branches and agencies of government, and thereby creating reduced efficiency of operation in the necessary intergovernmental activities of the various branches and agencies of government; that many public records, wills, conveyances, vital statistics, court decrees, and other similar documents in use in the conduct of daily business, are now filed in many poorly protected and overcrowded spaces and at widely separated locations by reason of the lack of an adequate public building or buildings; that these conditions impair the efficient, economical and indispensable governmental functions of the various branches and agencies of government and that, in order to eradicate these conditions, it is hereby found and declared to be necessary and desirable to make possible the construction, acquisition, or enlargement of buildings to be made available for use by governmental agencies with the intent and purpose of centralizing, insofar as is practicable, the activities of the different branches of government; and that the eradication of these conditions and the construction, acquisition or enlargement of such public building or buildings, in the manner hereinafter provided in this Act, is hereby declared to be a public use essential to the public interest.

258. Definitions.) § 3. The following terms, wherever used, or referred to in this Act, shall have the following respective meanings, unless in any case a different meaning clearly appears from the context;

(a) "Commission" means a Public Building Commission created pursuant to this Act.

(b) "Commissioner" or "Commissioners" shall mean a Commissioner or Commissioners of a Public Building Commission.

(c) "County seat" means a city, village or town which is the county seat of a county.

(d) "Municipal corporation" includes a county, city, village, town (including a county seat), park district, school district, board of education, sanitary district, and any other municipal body or governmental agency of the State.

(e) "Governing body" shall include a city council, county board, or any other body or board, by whatever name it may be known, charged with the governing of a municipal corporation.

(f) "Presiding officer" shall include the mayor or president of a city, village or town, the presiding officer of a county board, or the presiding officer of any other board or commission, as the case may be.

(g) "Oath" shall mean oath or affirmation.

259. Resolution of governing body of county seat - Necessity of commission - Name - Publication of resolution - Filing.)

§ 4. The governing body of any county seat may, by resolution adopted by a majority of its members, determine that there is need and that it is in the best interest of the public that a Public Building Commission be organized to exercise the powers and authority prescribed by this Act and it shall therein set forth the name of the Public Building Commission to be created hereunder, provided, however, that the words "Public Building Commission" shall form part of its name. The presiding officer of the county

seat adopting the resolution shall, within ten (10) days after the date of adoption, cause a copy of the resolution to be published once in a daily newspaper published in the county seat and if there be no newspaper published in that county seat, then in a newspaper published in the county having a circulation in that county seat. Any municipal corporation which has the power of taxation under the laws of this State and any part of whose area of jurisdiction lies within the territorial limits of that county seat may join in the organization of the Public Building Commission in the manner hereinafter set forth in this section. The governing body of any municipal corporation meeting the foregoing requirement and desiring to join in the organization of the Public Building Commission, shall, by a majority vote of its members and within forty-five (45) days from the date of such publication, adopt a resolution to that effect. The presiding officer of each municipal corporation adopting such a resolution signifying its desire to join in the organization of the Public Building Commission, shall, within fifteen (15) days after the date of adoption thereof, transmit a copy of the resolution duly certified by the proper officer of that municipal corporation to be true and correct, to the presiding officer of the county seat adopting the original resolution.

Within the ten (10) day period following the expiration of sixty (60) days after the date of publication of the original resolution, it shall be the duty of the presiding officer of the county seat adopting the original resolution to file in the office of the Recorder of Deeds in and for that county under one cover a certified copy of the resolution adopted by such county seat together with a certificate by the publisher of the newspaper of the publication of said resolution and the date of publication and all of the certified copies transmitted to him as hereinabove provided by the municipal corporations, if any, joining in the organization of the Public Building Commission.

Upon such filing in the office of the Recorder of Deeds the Public Building Commission shall be deemed to be organized as a municipal corporation and body politic.

There shall not be more than one (1) Public Building Commission in any county.

260. Commissioners - Appointment - Certificate of appointment - Number of commissioners - Terms of office - Vacancies.)

§ 5. Within thirty (30) days after the filing in the office of the Recorder of Deeds of the resolution or resolutions organizing the Public Building Commission, the presiding officer of the county seat adopting the original resolution and the presiding officers of the municipal corporations, if any, joining in the organization of the Public Building Commission shall appoint Commissioners in the manner hereinafter provided. All appointments shall be made with the advice and consent of the governing body of the municipal corporation whose presiding officer makes the appointment.

Within ten (10) days after the appointment of the commissioners by the respective presiding officers, with the advice and consent of the respective governing bodies, as aforesaid, each of such presiding officers shall transmit to the presiding officer of the county seat which adopted the original resolution, a certificate of such appointment. The presiding officer of the county seat shall cause all such certificates of appointment, including a certificate of the appointments made by the presiding officer of the county seat which adopted the original resolution, to be bound under one cover and filed in the office of the Recorder of Deeds in and for said county. Upon such filing, the persons so appointed shall constitute the Board of Commissioners of the Public Building Commission and upon taking the oath of office as hereinafter provided shall be deemed to have qualified and be empowered to exercise the powers and authority prescribed in this Act.

The Board of Commissioners shall in all cases consist of not less than five (5) members and in such instances as there may be more than five (5) members as herein provided, the Board of Commissioners shall consist of an odd number.

If the county seat alone organizes the Public Building Commission, the presiding officer of the county seat shall appoint five (5) Commissioners.

If any one municipal corporation shall join with the county seat in the organization of the Public Building Commission then and in such event the presiding officer of the county seat adopting the original resolution shall appoint three (3) Commissioners and the presiding officer of the municipal corporation joining in the organization of the Public Building Commission shall appoint two (2) Commissioners.

If two or more municipal corporations, in addition to the county seat, shall join with the county seat in the organization of the Public Building Commission then and in such event the presiding officers of the municipal corporations joining in the organization shall each appoint one (1) Commissioner and the presiding officer of the county seat adopting the original resolution shall appoint such number of commissioners as shall exceed by one the aggregate number appointed by the presiding officers of the municipal corporations joining in the organization of the Commission.

The initial terms of such Commissioners shall be for five (5), four (4), three (3), two (2) and one (1) year, respectively, and in such cases as there may be more than five (5) Commissioners the initial terms of Commissioners in excess of five (5) Commissioners shall be on a descending scale of five (5), four (4), three (3), two (2) and one (1) years, as there are Commissioners in excess of five (5). The length of the terms of the first Commissioners shall be determined by lot at their first meeting. The initial terms of office of Commissioners who are to hold office for terms of one (1), two (2), three (3), four (4) and five (5) years, respectively, shall continue until that September 30th which next follows the expiration of the periods of one (1), two (2), three (3), four (4) and five (5) years, respectively, from the date of the filing of the certificates of appointment in the office of the Recorder of Deeds, as aforesaid, and until their successors are appointed and qualify by taking their oath of office.

At the expiration of the term of each of the Commissioners, and of each succeeding Commissioner, or in the event of a vacancy, resignation, removal or refusal to act, the presiding officer of the municipal corporation, who made that Commissioner's appointment in the first instance, shall appoint a Commissioner, in the manner hereinabove provided, to hold office, in the case of a vacancy occurring for whatever reason, for the unexpired term, or in the case of expiration, for a term of five (5) years, and until his successor is appointed and has qualified. Each such appointment shall become effective upon the filing by the presiding officer making the appointment of a certificate of the appointment in the office of the Recorder of Deeds for that county. Any Commissioner may be appointed to succeed himself.

261. Oath - Qualifications of commissioners - Interest in contracts - Disclosure.)

§ 6. Each person appointed as a member of the Board of Commissioners shall qualify by taking and subscribing to an oath to uphold the Constitution of the United States and of the State of Illinois and to well and faithfully discharge his duties, which oath shall be filed with the Secretary of the Commission.

Commissioners shall be persons experienced in real estate management, building construction or finance. The fact that a person is an officer or employee of any municipal corporation, including the county seat or any other municipal corporation which joined in the organization of the Commission, shall not disqualify that person from being a Commissioner of a Public Building Commission. No person who is appointed as a Commissioner of a Public Building Commission shall have a financial interest in the creation of or in the continued existence of the Public Building Commission. No Commissioner shall acquire any interest, direct or indirect, in any contract or proposed contract of the Public Building Commission, or in any land, building or buildings, or other property or facilities in which the Public Building Commission has an interest. If any Commissioner at any

time holds or controls an interest, direct or indirect, in any property which the Public Building Commission is about to acquire, he shall disclose the same in writing to the Commission and such disclosure shall be entered upon the minutes of the Board of Commissioners.

262. Compensation of commissioners - Reimbursement for expenditures.) § 7. No Commissioner shall receive any compensation, whether in form of salary, per diem allowance or otherwise, for or in connection with his services as such Commissioner. Each Commissioner, however, shall be entitled to reimbursement for any necessary expenditures in connection with the performance of his duties.

263. Board of commissioners - Government, Control and management of affairs of commission - Powers - Meetings - Notice - Officers of commission.) § 8. The Commissioners appointed in pursuance of the foregoing provisions of this Act shall constitute the Board of Commissioners of the Public Building Commission. The government, control and management of the affairs of the Public Building Commission shall be vested in the Board of Commissioners and such Board shall possess and exercise all of the powers granted under this Act and such other powers, not inconsistent with this Act, as may be necessary to effectuate the purposes of this Act.

The presiding officer of the county seat adopting the original organization resolution shall call the first meeting of the Board of Commissioners. He shall give notice in writing to each member of the Board of the time and place of the meeting not less than five (5) days prior to the meeting and shall preside over the meeting until the members have elected a Chairman. The members, at the initial meeting, shall first draw lots to determine their terms of office which shall be entered of record in the proceedings of the Board.

The Board of Commissioners at the initial meeting shall elect one of their members as chairman. At such meeting or at a later meeting, the Board shall elect or appoint a secretary and treasurer and such other officers as they may deem necessary for such terms as they may decide upon. The secretary and treasurer need not be commissioners, and if such officers are not commissioners, they shall receive compensation in such amount as shall be determined by the Board. At such meeting, or at a later meeting, the Commissioners shall adopt a corporate seal, by-laws, and rules and regulations suitable to the purposes of this Act, which shall provide a time for the election of officers and of other regular and special meetings of the Commissioners, and shall contain the rules for the transaction of other business of such Public Building Commission and for amending such by-laws, rules and regulations.

Said Board of Commissioners shall have full power to pass all necessary ordinances, resolutions, rules and regulations for the proper management and conduct of the business of said Board of Commissioners and of said Public Building Commission and for carrying into effect the object for which such Public Building Commission is created.

264. Quorum - Records - Public inspection.) § 9. A majority of the Board of Commissioners shall constitute a quorum for the transaction of the business thereof. The concurring vote of a majority of all the Commissioners shall be required for the exercise of any of the powers granted by this Act. All records of the Commission shall be open to public inspection at all reasonable hours.

265. Records - Provision for safekeeping - Minutes - Receipts and Disbursements - Annual audit - Bond.) § 10. A public Building Commission shall provide for the proper safekeeping of its records and shall keep a minute book for the recording of the corporate action of the Board of Commissioners. A complete record of the meetings and proceedings of the Board of Commissioners shall be kept in such minute book and such minutes shall be signed by the Secretary of the Public Building Commission. The

Commission shall keep a true and accurate account of its receipts and disbursements and an annual audit shall be made of its books, records and accounts. All officers and employees authorized to receive or retain the custody of money or to sign vouchers, checks, warrants, or evidences of indebtedness on behalf of the Commission, shall furnish surety bond for the faithful performance of their duties and the faithful accounting of all monies that may come into their hands, in an amount to be fixed and in a form to be approved by the Board of Commissioners.

266. Treasurer - Custodian of funds and revenues - Depositories - Designation and qualification.) § 11. The Treasurer of a Public Building Commission shall be the legal custodian of all funds derived from the issuance of bonds provided for under this Act and of all revenues derived from the operation of any project under this Act and of all other revenues from whatever source received. The Treasurer shall keep all funds and monies belonging to the Public Building Commission in such places of deposit as may be designated by resolution of the Board of Commissioners, provided, however, that only a regularly organized State or National Bank may be designated as a depository. When a bank has been designated as a depository it shall continue as such depository until ten (10) days have elapsed after a new depository is designated and has qualified by furnishing the statements of resources and liabilities as required by this section. When a new depository is designated, the Board of Commissioners shall notify the surety of the Treasurer of that fact, in writing, at least five (5) days before the transfer of funds. The Treasurer shall be discharged from responsibility for all funds or money which he deposits in a designated bank while the funds and money are so deposited, provided the Treasurer shall not be discharged from responsibility for any funds or money deposited in a bank if the amount of such deposits exceed seventy-five per cent (75%) of the capital stock and surplus of the bank.

No bank shall be qualified to be designated a depository for monies of a Public Building Commission until it has furnished the Public Building Commission with copies of the last two sworn statements of resources and liabilities which the bank is required to furnish to the auditor of public accounts of this State or to the comptroller of currency. Each bank designated as a depository for such monies, while acting as such depository, shall furnish the Board of Commissioners of the Public Building Commission with a copy of all statements of resources and liabilities which it is required to furnish to said auditor of public accounts or to the comptroller of currency.

267. Employment of technical, professional, and clerical assistants - Compensation - Loan of employees by municipal corporations - Office space.) § 12. The Board of Commissioners may employ such technical, professional, and clerical assistants as are necessary and expedient for the proper performance of its duties and for the accomplishment of the objects and purposes of the Commission. The salaries, fees, or other compensation of any such employee shall be fixed and determined by the Board of Commissioners.

For the purpose of aiding and cooperating with a Public Building Commission, the municipal corporations participating in its organization may assign or loan any of their employees, whether under Civil Service or not, to the Public Building Commission to aid in the performance of any of the work of the Public Building Commission, and may provide necessary office space, equipment or other facilities for the Public Building Commission.

Any such employees so assigned or loaned who are member¹ or beneficiaries of any existing pension or retirement system or who have been appointed to positions in the service of such participating municipal corporations under rules and classifications of any Civil Service Commission shall have the same status with respect thereto after assignment to the Public Building Commission.

To facilitate the Public Building Commission in aid of any project undertaken by it any municipal corporation joining in its

organization may make available to the Public Building Commission the services of its engineering staff and facilities.

¹Probably should read "members"

268. Donations of property - Cash grants to commission.)

§ 13. This Act being designed to effect a public use and purpose, the corporate authorities of the municipal corporation or corporations creating the Public Building Commission and the corporate authorities of any other municipal corporations which may be desirous of renting space in any building or buildings to be acquired or constructed by such Public Building Commission, may make donations of property, real or personal, or cash grants to the Public Building Commission in such amount or amounts as they may deem proper and appropriate in aiding the Public Building Commission to effectuate the purpose for its creation.

269. Status of commission - Actions by or against - Seal - Perpetual succession - Powers.)

§ 14. A Public Building Commission shall be a municipal corporation and shall constitute a body both corporate and politic separate and apart from any other municipal corporation, or any other public or governmental agency. It may sue and be sued, plead and be impleaded, and have a seal and alter the same at pleasure, have perpetual succession, make and execute contracts, leases, deeds and other instruments necessary or convenient to the exercise of its powers, and make and from time to time amend and repeal its by-laws, rules and regulations not inconsistent with this Act. In addition, it shall have and exercise the following public and essential governmental powers and functions and all other powers incidental or necessary, to carry out and effectuate such express powers:

(a) To select, locate and designate any contiguous area lying wholly within the territorial limits of the county seat of the county in which the Commission is organized as the site to be acquired for the erection, alteration or improvement of a building or buildings for the purposes hereinafter set forth. The site selected shall be conveniently located within such county seat and of an area in size sufficiently large to accomplish and effectuate the purpose of this Act and sufficient to provide for proper architectural setting and adequate landscaping for such building or buildings. The site selected shall be subject to approval by the governing body of the county seat adopting the original resolution for the creation of the Commission. The area may be enlarged by the Board of Commissioners, from time to time, as the need therefor arises.

(b) To acquire the fee simple title to the real property located within such area, including easements and reversionary interests in the streets, alleys and other public places and personal property required for its purposes, by purchase, gift, devise, or by the exercise of the power of eminent domain, and title thereto shall be taken in the corporate name of the Commission. Eminent domain proceedings shall be in all respects in accordance with an Act entitled "An Act to provide for the exercise of the right of eminent domain," approved April 10, 1872, as heretofore or hereafter amended.¹ All land and appurtenances thereto, acquired or owned by the Commission are to be deemed acquired or owned for a public use or public purpose.

(c) To demolish, repair, alter or improve any building or buildings within the area and to erect a new building or buildings and other facilities within the area. To furnish and equip the same, and maintain and operate such building or buildings and other facilities so as to effectuate the purposes of this Act.

(d) To pave and improve streets within such area, and to construct, repair and install sidewalks, sewers, waterpipes and other similar facilities and site improvements within such area and to provide for adequate landscaping essential to the preparation of such site in accordance with the purposes of this Act.

(e) To make provisions for offstreet parking facilities.

(f) To operate, maintain, manage and to make and enter into contracts for the operation, maintenance and management of such buildings and other facilities and to provide rules and regulations for the operation, maintenance and management thereof.

(g) To employ and discharge without regard to any Civil

Service Act, engineering, architectural, construction, legal and financial experts and such other employees as may be necessary in its judgment to carry out the purposes of this Act and to fix compensation for such employees, and enter into contracts for the employment of any person, firm, or corporation, and for professional services necessary or desirable for the accomplishment of the objects and purposes of the Commission and the proper administration, management, protection and control of its property.

(h) To rent all or any part or parts of such building, buildings or other facilities to any municipal corporation which organized or joined in the organization of the Public Building Commission or to any branch, department or agency thereof, or to any branch, department or agency of the State or Federal government, or to any other municipal corporation, quasi municipal corporation, political subdivision or body politic, or agency thereof, doing business, maintaining an office or rendering a public service in such county seat or county for any period of time, not to exceed fifty (50) years.

(i) To rent such space in such building or buildings as from time to time may not be needed by any governmental agency for such other purposes as the Board of Commissioners may determine will best serve the comfort and convenience of the occupants of such building or buildings, and upon such terms and in such manner as the Board of Commissioners may determine.

(j) To execute written leases evidencing the rental agreements authorized in Clauses (h) and (i) of this section.

(k) To procure and enter into contracts for any type of insurance or indemnity against loss or damage to property from any cause, including loss of use and occupancy, against death or injury of any person, against employer's liability, against any act of any member, officer or employee of the Public Building Commission in the performance of the duties of his office or employment or any other insurable risk, as the Board of Commissioners in its discretion may deem necessary.

(l) To accept donations, contributions, capital grants or gifts from any individuals, associations, municipal and private corporations and the United States of America, or any agency or instrumentality thereof, for or in aid of any of the purposes of this Act and to enter into agreements in connection therewith.

(m) To borrow money from time to time and in evidence thereof to issue and sell revenue bonds in such amount or amounts as the Board of Commissioners may determine to provide funds for the purpose of acquiring, erecting, demolishing, improving, altering, equipping, repairing, maintaining and operating buildings and other facilities and to acquire sites necessary and convenient therefor and to pay all costs and expenses incident thereto, including, but without in any way limiting the generality of the foregoing, architectural, engineering, legal and financing expense, which may include an amount sufficient to meet the interest charges on such revenue bonds during such period or periods as may elapse prior to the time when the project or projects may become revenue producing and for one year in addition thereto; and to refund and refinance, from time to time, revenue bonds so issued and sold, as often as may be deemed to be advantageous by the Board of Commissioners.

¹Chapter 47, 1-17.

270. Resolution - Contents - Bonds - Denominations - Maturity - Registration - Interest rate - Execution of bonds - Coupons - Refunding bonds - Sinking fund.) § 15. Whenever and as often as the Board of Commissioners determines to issue bonds as provided in this Act, it shall adopt a resolution describing the area to be acquired, the nature of the improvements thereon, the disposition to be made of such improvements and a description of any new buildings or other facilities to be constructed thereon.

Such description shall not prohibit the Board of Commissioners from making such minor changes as may be necessary or convenient in the discretion of the Board of Commissioners.

The resolution shall set out the estimated cost of the project, including the cost of acquiring the site therefor, determine the

period of usefulness and fix the amount of revenue bonds to be issued, the date or dates of maturity, the dates on which interest is payable, the sinking fund provisions and all other details in connection with such bonds. The Board shall determine and fix the rate of interest of any revenue bonds issued hereunder, in such resolution or in any supplemental resolution adopted by the Board prior to the issuance thereof. The resolution, trust agreement or other contract entered into with the bondholders may contain such covenants and restrictions concerning the issuance of additional revenue bonds thereafter as may be deemed necessary or advisable for the assurance of the payment of the bonds thereby authorized.

All bonds shall be issued in the name of the Public Building Commission and shall have and are hereby declared to have all the qualities and incidents of negotiable instruments under the laws of this State.

Bonds issued under this Act, whether original issue or issues or refunding, may be issued as serial or term bonds, shall be of such denomination or denominations and form, including interest coupons to be attached thereto, shall be payable at such place or places and bear such date as the Board of Commissioners shall fix by the resolution authorizing such bonds and shall mature within a period not to exceed forty (40) years, and may be redeemable prior to maturity with or without premium, at the option of the Board of Commissioners, upon such terms and conditions as the Board of Commissioners shall fix by the resolution authorizing the issuance of such bonds. The Board of Commissioners may provide for the registration of such bonds in the name of the owner as to the principal alone or as to both principal and interest upon such terms and conditions as the Board of Commissioners may determine. All bonds issued hereunder by any Public Building Commission shall be sold at such price that the interest cost to the Commission of the proceeds of such bonds shall not exceed six per cent (6%) per annum, payable semi-annually, computed to maturity and shall be sold in such manner and at such time or times as the Board of Commissioners shall determine.

Bonds issued by a Public Building Commission, and the interest thereon, shall be payable solely from the revenues derived from the operation, management or use of the buildings or other facilities acquired or to be acquired by the Commission, which revenues shall include payments received under any leases or other contracts for the use of the facilities, buildings or space therein. All bonds shall recite in the body thereof that the principal and interest thereon are payable solely from the revenues pledged to pay the same and shall state on their face that it is not an indebtedness of the Commission or a claim against the property of such Commission.

The bonds shall be executed in the name of the Commission by the Chairman of the Board of Commissioners or by such other officer of the Commission as the Board, by resolution, may direct, and be attested by the Secretary, or by such other officer of the Commission as the Board, by resolution, may direct, and shall be sealed with the Commission's corporate seal. The interest coupons attached to such bonds shall be executed by the facsimile signatures of the persons who shall execute the bonds. The Chairman and Secretary or other officers of the Commission executing the bonds shall adopt for their own signatures, their respective facsimile signatures appearing on such coupons. In case any officer whose signature appears on the bonds or coupons shall cease to be such officer before delivery of such bonds, such signature shall nevertheless be valid and sufficient for all purposes, the same as if said officer had remained in office until such delivery.

In its discretion, the Public Building Commission may, from time to time, as often as it may deem to be advantageous, issue refunding bonds to refund its bonds prior to their maturity, refund its outstanding matured bonds, refund matured coupons evidencing interest upon its outstanding bonds, refund interest at the coupon rate upon its outstanding matured bonds that has accrued since the maturity thereof, and refund its bonds which by their terms are subject to call or redemption before maturity. All bonds redeemed or purchased in accordance with this Act shall forthwith be cancelled and shall not be used again.

To secure the payment of any or all revenue bonds and for the purpose of setting forth the covenants and undertakings of the Commission in connection with the issuance of revenue bonds and the issuance of any additional revenue bonds payable from such revenue income to be derived from the operation, management or use of the buildings or other facilities acquired or to be acquired by the Commission, the Commission may execute and deliver a trust agreement or agreements except that no lien upon any physical property of the Commission shall be created thereby.

The proceeds from the sale of bonds hereunder shall be paid to the Treasurer of the Public Building Commission or, in the event that a trust agreement is executed and delivered by the Commission, then and in such event, the proceeds from the sale of bonds hereunder shall be paid to the trustee or trustees specified in any such trust agreement. If the proceeds from the sale of the bonds issued hereunder shall exceed the cost of the project, the Public Building Commission shall place such excess funds in the sinking fund created for making payment of principal or interest of such bonds as the same matures or for the purchase of outstanding bonds at such times and in such manner as may be provided in the resolution authorizing the issuance of such bonds, or in any trust agreement or contract entered into with the bondholders.

The resolution shall provide for the creation of a sinking fund account into which shall be payable from the revenues of such projects, from month to month as such revenues are collected, such sums in excess of the cost of maintenance and operation of the project and the costs of administration of the Commission, as will be sufficient to comply with the covenants of the bond resolution and sufficient to pay the accruing interest and retire the bonds at maturity. The Board of Commissioners, in such resolution, may provide for such other accounts as it may deem necessary for the sale of the bonds. The monies in said accounts shall be applied in the manner provided by the resolution, the trust agreement or other contract with the bondholders.

No bond issued under this Act shall constitute a debt of the Commission or of any public body within the meaning of any statutory or constitutional limitation as to debt.

From and after the issuance of bonds as herein provided it shall be the duty of the Board of Commissioners to establish and fix rates, rentals, fees and charges for the use of any and all buildings or space therein or other facilities owned and operated by the Commission, sufficient at all times to pay maintenance and operation costs and to pay the accruing interest and retire the bonds at maturity and to make all payments to all accounts created by any bond resolution and to comply with all covenants of any bond resolution.

271. Trust agreements with or for bondholders - Enforcement.)

§ 16. Any trust agreement or agreements entered into with or for the benefit of the bondholders may prescribe by whom or on whose behalf action may be taken by the bondholders, and in the absence of any such provision in the trust agreement or agreements, any holder of a bond or bonds, or of any of the coupons of any bond or bonds, issued under the provisions of this Act, subject only to a contractual restriction binding upon any such bondholder or holders, may:

(a) By mandamus, suit, action or proceeding at law or in equity, compel the Commission, and the member or members, officers, agents or employees thereof, to perform each and every term, provision and covenant contained in any resolution, trust agreement or contract with or for the benefit of such bondholder, and to require the carrying out of any or all such covenants and agreements of the Commission and the fulfillment of all duties imposed upon said Commission by this Act.

(b) By suit, action or proceeding in equity, sue to enjoin any acts or things which may be unlawful, or in violation of any of the rights of said bondholder.

272. Revenue bonds - Legal investments.) § 17. The State and all counties, cities, villages, incorporated towns and other municipal corporations, political subdivisions and public bodies,

and public officers of any thereof, all banks, bankers, trust companies, savings banks and institutions, building and loan associations, savings and loan associations, investment companies and other persons carrying on a banking business, all insurance companies, insurance associations and other persons carrying on an insurance business, and all executors, administrators, guardians, trustees and other fiduciaries may legally invest any sinking funds, monies or other funds belonging to them or within their control in any revenue bonds issued pursuant to this Act, it being the purpose of this section to authorize the investment in such revenue bonds of all sinking, insurance, retirement, compensation, pension and trust funds, whether owned or controlled by private or public persons or officers.

273. Levy and collection of annual tax to pay lease rentals - Filing certified copy of lease or tax ordinance.) § 18. Whenever, and as often as a municipal corporation having taxing power enters into a lease with a Public Building Commission, the governing body of such municipal corporation shall provide by ordinance or resolution, as the case may be, for the levy and collection of a direct annual tax sufficient to pay the annual rent payable under such lease as and when it becomes due and payable. A certified copy of the lease of such municipal corporation and a certified copy of the tax levying ordinance or resolution, as the case may be, of such municipal corporation shall be filed in the office of the county clerk in each county in which any portion of the territory of such municipal corporation is situated, which certified copies shall constitute the authority for the county clerk or clerks, in each case, to extend the taxes annually necessary to pay the annual rent payable under such lease as and when it becomes due and payable. Upon such filing in the office of the county clerk or clerks of the proper county, it shall be the duty of such county clerk or clerks to ascertain the rate per cent which, upon the full, fair cash value of all property subject to taxation within the municipal corporation, as that property is assessed or equalized by the Department of Revenue, will produce a net amount of not less than the amount of the annual rent reserved in such lease. The county clerk or clerks shall thereupon, and thereafter annually during the term of the lease, extend taxes against all of the taxable property contained in that municipal corporation sufficient to pay the annual rental reserved in such lease. Such tax shall be levied and collected in like manner with the other taxes of such municipal corporation and shall be in addition to all other taxes now or hereafter authorized to be levied by that municipal corporation. This tax shall not be included within any statutory limitation of rate or amount for that municipal corporation but shall be excluded therefrom and be in addition thereto and in excess thereof. The fund realized from such tax levy shall be set aside for the payment of the annual rent and shall not be disbursed for any other purpose until the annual rental has been paid in full. The foregoing shall not be construed to limit the power of the Commission to enter into leases with any municipal corporation whether or not the municipal corporation has the power of taxation.

274. Contracts for construction, repair, etc. - Contents - Bond - Insurance.) § 19. Any contract let for the construction, repair, alteration, or improvement of any building or buildings, the demolition thereof, or removal of debris resulting therefrom, or any other contract let for any other type of construction or repair work, shall contain provisions requiring the contractor or other person, firm or corporation undertaking such work to give bond in such amount and with such surety, conditioned for the faithful performance of the contract as the Board of Commissioners may determine. The Board of Commissioners shall also require such contractor or other persons, firm or corporation to furnish insurance of a character and amount to be determined by the Board of Commissioners, protecting the Commission, its Commissioners, officers, agents, and employees, against any claims for personal injuries (including death) and property damage that may be asserted because of the doing of the work.

275. Contracts let to lowest responsible bidder - Competitive bidding - Advertisements for bids.) § 20. All contracts to be let for the construction, alteration, improvement, repair, enlargement, demolition or removal of any buildings or other facilities, or for materials or supplies to be furnished, where the amount thereof is in excess of \$2,500.00, shall be let to the lowest responsible bidder, or bidders, on open competitive bidding after public advertisement published at least once in each week for three consecutive weeks prior to the opening of bids, in a daily newspaper of general circulation in the county where the commission is located. Nothing contained in this Section shall be construed to prohibit the Board of Commissioners from placing additional advertisements in recognized trade journals. Advertisements for bids shall describe the character of the proposed contract in sufficient detail to enable the bidders thereon to know what their obligation will be, either in the advertisement itself, or by reference to detailed plans and specifications on file in the office of the Public Building Commission at the time of the publication of the first announcement. Such advertisement shall also state the date, time, and place assigned for the opening of bids and no bids shall be received at any time subsequent to the time indicated in said advertisement. The Board of Commissioners may reject any and all bids received and readvertise for bids. All bids shall be open to public inspection in the office of the Public Building Commission for a period of at least forty-eight (48) hours before award is made. The successful bidder for such work shall enter into contracts furnished and prescribed by the Board of Commissioners and in addition to any other bonds required under this Act the successful bidder shall execute and give bond, payable to and to be approved by the Commission, with a corporate surety authorized to do business under the laws of the State of Illinois, in an amount to be determined by the Board of Commissioners, conditioned upon the payment of all labor furnished and materials supplied in the prosecution of the contracted work. If the bidder whose bid has been accepted shall neglect or refuse to accept the contract within five (5) days after written notice that the same has been awarded to him, or if he accepts but does not execute the contract and give the proper security, the Commission may accept the next lowest bidder, or readvertise and relet in manner above provided. In case any work shall be abandoned by any contractor the Commission may, if the best interests of the Commission be thereby served, adopt on behalf of the Commission all sub-contracts made by such contractor for such work and all such sub-contractors shall be bound by such adoption if made; and the Commission shall, in the manner provided herein, readvertise and relet the work specified in the original contract exclusive of so much thereof as shall be accepted. Every contract when made and entered into, as herein provided for, shall be executed in duplicate, one copy of which shall be held by the Commission, and spread on its records, and one copy of which shall be given to the contractor.

276. Execution of leases, contracts, deeds, etc.) § 21. All leases, contracts, deeds of conveyance, or instruments in writing executed by the Commission, shall be executed in the name of the Commission by the Chairman and Secretary of the Commission, or by such other officers as the Board of Commissioners, by resolution, may direct, and the seal of the Authority shall be affixed thereto.

277. Exemption from taxation.) § 22. All property of the Public Building Commission shall be exempt from taxation by the State or any taxing unit therein.

278. Partial invalidity.) § 23. The provisions of this Act and the applications thereof to any person or circumstance are declared to be severable.

If any section, clause, sentence, paragraph, part or provision of this Act shall be held to be invalid by any Court, it shall be conclusively presumed that the remaining portions of this Act would have been passed by the Legislature without such invalid section, clause, sentence, paragraph, part or provision.

If the application of any section, clause, sentence, paragraph, part or provision of this Act to any person or circumstance is held invalid, such invalidity shall not affect the application thereof to other persons or circumstances.

279. Liberal construction of Act.) § 24. This Act being necessary for or desirable for and intended to secure the public

convenience and welfare, the provisions of this Act shall be liberally construed to give effect to the provisions hereof.

280-300. Reserved for future legislation.

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EVERY MUNICIPALITY INCORPORATED UNDER ANY LAW OF THIS STATE HAS POWER TO ACQUIRE FROM PUBLIC BUILDING COMMISSIONS, UNDER LEASE, ANY REAL OR PERSONAL PROPERTY REQUIRED FOR CORPORATE PURPOSES, FOR ANY PERIOD OF TIME NOT EXCEEDING FIFTY YEARS.

CHAPTER 24

"Revised Cities and Villages Act", approved August 15, 1941, as amended, - Article 59A - Illinois Revised Statutes, 1955 - State Bar Association Edition.

ARTICLE 59A. LEASE AND ACQUISITION BY MUNICIPALITY FROM PUBLIC BUILDING COMMISSION

Sec.

59A-1. Power to lease property for corporate activities—duration of lease—current expense.

Article added by act approved July 5, 1955. L.1955, p.—, S.B.No.609.

59A-1. Power to lease property for corporate activities—Duration of lease—Current expense.) § 59A-1. In addition to all the rights and powers conferred on any municipality under this or any other Acts to acquire, under lease or otherwise, any real or personal property for corporate purposes, the corporate authorities in every municipality, incorporated under any law of this State, have the power by ordinance:

(1) To lease from any Public Building Commission created pursuant to the provisions of the Public Building Commission Act, enacted by the Sixty-Ninth General Assembly,¹ any real or personal property for any of its corporate purposes, for any period of time not exceeding fifty years.

(2) To pay for the use of the leased property in accordance with the terms of the lease.

(3) Such lease may be entered into without making a previous appropriation for the expense thereby incurred, notwithstanding the provisions contained in Sections 15-2, 15-3 and 22-1 of this Act. Such obligation to pay incurred under such lease shall not be deemed to be an indebtedness of the municipality within the meaning of any constitutional or statutory limitation upon municipal authorities, but the obligation shall be deemed to be current expense for the year in which it is paid. Added by act approved July 5, 1955. L.1955, p.—, S.B.No. 609.

¹Chapter 34, 256-279.

PROPERTY MAY BE ACQUIRED FOR HOUSING, SLUM
CLEARANCE AND REDEVELOPMENT PURPOSES AND BY
PUBLIC BUILDING COMMISSIONS PURSUANT TO

CHAPTER 47
EMINENT DOMAIN

Illinois Revised Statutes, 1955, State Bar Association Edition,
Section 1 § 1 to 18-30 §§ 1-13.

Act of April 10, 1872

- § 1. Compensation jury.
- § 2. Proceedings—parties.
- § 2a. Declaration of taking—title vests in State when—judgment—clerk's fee—payment of money deposited in court—postponement of right of entry—orders.
- § 2b. Effect of appeal—divesting State's title.
- § 2c. Right to possession and title in advance and additional right (New).
- § 3. Repealed.
- § 4. Service—notice.
- § 5. Hearing.
- § 5a. Motion to strike declaration of taking and dismiss suit.
- § 6. Repealed.
- § 7. Impaneling jury.
- § 8. Oath of jury.
- § 9. View of premises—verdict.
- § 10. Judgment and payment where no declaration of taking is filed.
- § 11. Cross petition.
- § 12. Appeal.
- § 13. Bond—use of premises.
- § 14. Payment to county treasurer, etc.—determination of conflicting claims—jurisdiction.
- § 15. Judgment entered.
- § 16. Repeal.

Act of March 9, 1867

- § 17. Lands of state institutions not taken.
- § 18-30. Unconstitutional.

AN ACT to provide for the exercise of the right of eminent domain. (Approved April 10, 1872. L.1871-2, p. 402.)

Be it enacted by the People of the State of Illinois, represented in the General Assembly:

1. Compensation—Jury.) § 1.

That private property shall not be taken or damaged for public use without just compensation; and that in all cases in which compensation is not made by the state in its corporate capacity, such compensation shall be ascertained by a jury, as hereinafter prescribed.

Relocation of houses condemned for highways, acquisition of real property for, see Housing and Development, ch. 67½, § 104.

2. Proceedings—Parties.) § 2. Where the right to take private property for public use, without the owner's consent or the right to construct or maintain any public road, railroad, plankroad, turnpike road, canal or other public work or improvement, or which may damage property not actually taken has been heretofore or shall hereafter be conferred by general law or special charter upon any corporate or municipal authority, public body, officer or agent, person, commissioner or corporation and the compensation to be paid for or in respect of the property sought to be appropriated or damaged for the purposes above mentioned cannot be agreed upon by the parties interested, or in case the owner of the property is incapable of consenting, or his name or residence is unknown, or he is a nonresident of the state, it shall be lawful for the party authorized to take or damage the property so required, or to construct, operate and maintain any public road, railroad, plankroad, turnpike road, canal or other public work or improvement, to apply to the circuit or county court of the county where the said property or any part thereof is situated, or to the judge thereof in vacation

by filing with the clerk a petition, setting forth, by reference, his or their authority in the premises, the purpose for which said property is sought to be taken or damaged, a description of the property, the names of all persons interested therein as owners or otherwise as appearing of record, if known, or if not known stating that fact and praying such court or judge to cause the compensation to be paid to the owner to be assessed. If it appears that any person not in being, upon coming into being, is, or may become or may claim to be, entitled to any interest in the property sought to be appropriated or damaged the court shall appoint some competent and disinterested person as guardian ad litem to appear for and represent such interest in the proceeding and to defend the proceeding on behalf of the person not in being, and any judgment or decree rendered in the proceeding shall be as effectual for all purposes as though the person was in being and was a party to the proceeding. If the proceedings seek to affect the property of persons under guardianship, the guardians or conservators of persons having conservators, shall be made parties defendant, and if of married women their husbands shall also be made parties. Persons interested, whose names are unknown, may be made parties defendant by the same descriptions and in the same manner as provided in other civil cases. Where the property is sought to be taken or damaged by the state for the purpose of establishing, operating or maintaining any state house or state charitable or other state institutions or improvements, the petition shall be signed by the governor or such other person as he shall direct, or as shall be provided by law. As amended by act approved June 15, 1955. L.1955, p. —, S.B.No. 195.

2a. Declaration of taking—Title vests in State when—Judgment—Clerk's fee—Payment of money deposited in court—Postponement of right of entry—Orders.) § 2a. In any proceeding instituted by and in the name of the State of Illinois under this Act,¹ for the purpose of acquiring title to any real property, for highway purposes, and for housing purposes provided for in the 'Blighted Vacant Areas Development Act of 1949' enacted by the 66th General Assembly,² the petitioner may file in the cause with the petition, or at any time before judgment, a declaration of taking signed by the Governor of the State of Illinois, or his duly authorized agent in that behalf, declaring that such real property is thereby taken for a public purpose of the State of Illinois. The declaration of taking shall contain or have annexed thereto the following:

- (1) A statement of the public use for which such real property is taken.
- (2) A description of the real property taken sufficient for the identification thereof.
- (3) A statement of the estate or interest in such real property taken for said public use.
- (4) A plan showing the real property taken.
- (5) A statement of the amount of money estimated to be just compensation for the real property taken.

Upon the filing of the declaration of taking and of the deposit with the Clerk of the Court in which the proceeding is pending, to the use of the persons entitled thereto, of the amount of the estimated compensation stated in the declaration, title to the real property in fee simple absolute, or such less estate or interest therein as is specified in the declaration, shall vest in the State of Illinois, and such real property shall be deemed to be condemned and taken for the use of the State of Illinois, and the right to just compensation for the same shall vest in the person or persons entitled thereto. Such compensation shall be ascertained and awarded in the proceeding and established by judgment therein, and the judgment shall include, as part of the just compensation awarded, interest at the rate of six per cent per annum on the amount finally awarded as the value of the real property from the date title vests in the State of Illinois to the date of

payment; but interest shall not be allowed on so much thereof as shall have been paid into the Clerk of the Court. A reasonable fee to be fixed by the Court and paid by the State of Illinois shall be allowed to the Clerk of the Court for receiving, retaining or disbursing any moneys deposited with the Clerk of the Court in accordance with this section.

Upon the application of any party in interest, and upon due notice to all parties, the Court shall order that the money deposited in the Court, or any part thereof, be paid forthwith to the person or persons entitled thereto for and on account of the just compensation to be awarded in the proceeding, without prejudice to the further rights of any party to the proceeding. If the compensation finally awarded shall exceed the amount of money so deposited, the Court shall enter judgment against the State of Illinois and in favor of the party or parties entitled thereto for the amount of the deficiency. If the compensation finally awarded shall be less than the amount of money so deposited and paid out, the Court shall enter judgment in favor of the State of Illinois and against the proper party or parties for the amount of the excess.

Upon the filing of the declaration of taking and the deposit with the Clerk of the Court of the estimated compensation, the State of Illinois shall thereupon have the right of entry and the parties in possession shall be required to surrender possession to the petitioner; provided, however, in case of undue hardship to the persons in possession the Court may postpone said right of entry to a day in no event later than six (6) months after the date that title vests in the State of Illinois; and provided, further, that no right of entry shall be exercised earlier than five (5) days after such vesting of title; and provided, further, that the Court shall not postpone such right of entry in any case where the party in possession has received any part of the award, unless such party agrees to pay to the State of Illinois during the period of his occupancy such reasonable rental as may be fixed by the Court.

The Court shall have power to direct the payment of delinquent taxes and special assessments out of the amount determined as just compensation and to make such orders in respect of encumbrances, liens, rents, insurance, and other charges, if any, as shall be just and equitable. As amended by act filed Aug. 13, 1949. L.1949, p. 866.

1 Section 1 et seq. of this chapter.

2 Chapter 67½, §§ 91.1 to 91.7.

Section added: L.1947, p. 905.

Provisions of this section for payment of estimated compensation immediately and awarding just compensation later, is in violation of Const. art. 2, § 13. Dept. of Public Works & Bldgs. v. Gorbe, 409-211, 98 N.E.2d 730.

2b. Effect of appeal—Divesting State's title.) § 2b. No appeal in any cause under this Act¹ nor any bond or undertaking given therein shall operate to prevent or delay the vesting of title to such real property in the State of Illinois. No order of the trial court or any court of review shall divest the State of Illinois of title to any property taken under this Act, except where such Court makes the finding that said property was not taken for a public use, in which event the Court shall enter such judgment as may be necessary, to compensate the person entitled thereto for the period during which the property was in the possession of the State, and to recover for the State any award paid to any person. Added by act approved July 21, 1947, L.1947, p. 905.

1 Section 1 et seq. of this chapter.

2c. Right to possession and title in advance and additional right.) § 2c. The right to take possession and title in advance of final judgment in condemnation proceedings as prescribed by Section 2a of this Act¹ shall be in addition to any right, power or authority conferred by the laws of this State under which such proceedings may be conducted, and shall not be construed as abrogating, limiting, or modifying any such right, power or authority. Added by act approved July 21, 1947. L.1947, p. 905.

1 Section 2a of this chapter.

3. § 3. Repealed by Act approved June 21, 1933. L.1933, p. 586, effective Jan. 1, 1934.

4. Service—Notice.) § 4. Service of summons and publication of notice shall be made as in other civil cases. (As amended by act approved June 28, 1935. L.1935, p. 826.)

5. Hearing.) § 5. No cause shall be heard earlier than twenty days after service upon defendant or upon due publication against non-residents.

Any number of separate parcels of property, situate in the same county, may be included in one petition, and the compensation for each shall be assessed separately by the same or different juries, as the court or judge may direct.

Amendments to the petition, or to any paper or record in the cause, may be permitted whenever necessary to a fair trial and final determination to the questions involved.

Should it become necessary at any stage of the proceedings to bring a new party before the court or judge, the court or judge shall have the power to make such rule or order in relation thereto as may be deemed reasonable and proper; and shall also have power to make all necessary rules and orders for notice to parties of the pendency of the proceedings, and to issue all process necessary to the execution of orders and judgments as may be entered. (As amended by act approved June 28, 1935. L.1935, p. 826.)

5a. Motion to strike declaration of taking and dismiss suit.)

§ 5a. In any case in which a declaration of taking has been filed as provided in Section 2a,¹ supra, any defendant desiring to raise any question with respect to the validity of the taking shall do so by filing a motion to strike the declaration of taking and dismiss the suit. The motion shall be made on or before the return day mentioned in the summons or notice of publication, or within 20 days after the filing of the declaration of taking, whichever is later. Failure to file such motion within the time herein provided is a waiver of the right of any defendant to challenge the validity of the taking. Added by act filed Aug. 13, 1949. L.1949, p. 866.

1 Section 2a of this chapter.

6. § 6. Repealed by Act approved June 21, 1933. L.1933, p. 586, effective Jan. 1, 1934.

7. Impaneling jury.) § 7. The petitioner, and every party interested in the ascertaining of compensation, shall have the same right of challenge of jurors as in other civil cases in the circuit courts. If the panel be not full by reason of nonattendance, or be exhausted by challenges, the judge hearing such petition shall designate by name the necessary number of persons, of proper qualification, and the clerk or justice shall issue another venire, returnable instant, and until the jury be full.

8. Oath of jury.) § 8. When the jury shall have been so selected, the court shall cause the following oath to be administered to said jury:

You and each of you do solemnly swear that you will well and truly ascertain and report just compensation to the owner (and each owner) of the property which it is sought to take or damage in this case, and to each person therein interested, according to the facts in the case, as the same may be made to appear by the evidence, and that you will truly report such compensation so ascertained: so help you God.

9. View of premises—Verdict.) § 9. Said jury shall, at the request of either party, go upon the land sought to be taken or damaged, in person, and examine the same, and after hearing the proof offered make their report in writing, and the same shall be subject to amendment by the jury, under the direction of the court or the judge, as the case may be, so as to clearly set forth and show the compensation ascertained to each person thereto entitled, and the said verdict shall thereupon be recorded: Provided, that no benefits or advantages which may accrue to lands or property affected shall be set off against or deducted from such compensation, in any case.

10. Judgment and payment where no declaration of taking is filed.) § 10. Where no declaration of taking has been filed by petitioner pursuant to Section 2a of this Act,¹ the judge or court shall, upon such report, proceed to adjudge and make such order as to right and justice shall pertain, ordering that petitioner enter upon such property and the use of the same upon payment of full compensation as ascertained as aforesaid, within a reasonable time to be fixed by the court, and such order, with evidence of such payment, shall constitute complete justification of the taking of such property. Where a declaration of taking has been filed in the cause the judge or court shall, upon such report, proceed in accordance with Section 2a of this Act. Provided, That in case the petitioner shall dismiss said petition before the entry of such order or shall fail to make payment of full compensation within the time named in such order, that then such court or judge shall, upon application of the defendants to said petition or either of them, make such order in such cause for the payment by the petitioner of all costs, expenses and reasonable attorney fees of such defendant or defendants paid or incurred by such defendant or defendants in defense of said petition, as upon the hearing of such application shall be right and just, and also for the payment of the taxable costs. As amended by act approved July 21, 1947. L.1947, p. 905.

¹ Section 2a of this chapter.

11. Cross petition.) § 11. Any person not made a party may become such by filing his cross petition, setting forth that he is the owner or has an interest in property, and which will be taken or damaged by the proposed work; and the rights of such last named petitioner shall thereupon be fully considered and determined.

¹ Ill. Rev. Stat. '55-118

12. Appeal.) § 12. In all cases, in either the circuit or county court, or before a Circuit or County Judge, an appeal as in other civil cases shall lie to the Supreme Court, except that no appeal shall lie from any order denying a motion to strike the declaration of taking and dismiss the suit, unless notice of appeal is filed within 30 days from the entry of the order, and for the purposes of such appeal such order shall be deemed to be a final order. As amended by act filed Aug. 13, 1949. L.1949, p. 866.

13. Bond—Use of premises.) § 13. In cases in which compensation shall be ascertained as aforesaid, if the party in whose favor the same is ascertained shall appeal such proceeding, the petitioner shall, notwithstanding, have the right to enter upon the use of the property upon entering into bond, with sufficient surety, payable to the party interested in such compensation, conditioned for the payment of such compensation as may be finally adjudged in the case, and in case of appeal by petitioner, petitioner shall enter into like bond with approved surety. Said bonds shall be approved by the judge before whom such proceeding shall be had, and executed and filed within such time as shall be fixed by said judge; Provided, however, that when the petitioner is the State of Illinois no bond shall be required. As amended by act approved June 15, 1955. L.1955. p. —, S.B.No. 181

14. Payment to county treasurer, etc.—Determination of conflicting claims—Jurisdiction.) § 14. Payment of compensation adjudged may be made to the county treasurer, who shall, on demand, pay the same to the party thereto entitled, taking receipt therefor, or payment may be made to the party entitled, his, her or their conservator or guardian. Should payment be made to the county treasurer, as is in this section provided, the court in the same eminent domain proceeding in which the award is determined, shall have exclusive jurisdiction to hear and determine all conflicting claims to the compensation so paid to the county treasurer, except where the parties claimant are engaged in litigation in a court having acquired jurisdiction of said parties with respect to their rights in the property condemned prior to the time of such payment to the county treasurer, and payment by the county treasurer pursuant to the order of court determining such conflicting claims shall be a full acquittance to him. Appeals may be taken from any order determining such conflicting claims as in other civil cases. As amended by act approved July 6, 1955. L.1955, p. —, H.B.No. 522.

15. Judgment entered.) § 15. The court or judge shall cause the verdict of the jury and the judgment of the court to be entered upon the records of said court.

16. Repeal.) § 16. All laws and parts of laws in conflict with the provisions of this act are hereby repealed: Provided, that this act shall not be construed to repeal any law or part of law upon the same subject passed by this general assembly; but in all such cases this act shall be construed as providing a cumulative remedy.

AN ACT for the further protection of the state institutions.
(Approved March 9, 1867. L.1867, p. 165.)

17. Lands of state institutions not taken.) § 1.

Be it enacted by the People of the State of Illinois, represented in the General Assembly:

No part of any land heretofore or hereafter conveyed to the State of Illinois, for the use of any benevolent institutions of the state (or to any such institutions), shall be entered upon, appropriated or used by any railroad or other company for railroad or other purposes, without the previous consent of the general assembly; and no court or other tribunal shall have or entertain jurisdiction of any proceeding instituted or to be instituted for the purpose of appropriating any such land for any of the purposes aforesaid, without such previous consent.

18-30. §§ 1-13 (L.1939, p. 1155). Unconstitutional.

These sections, giving court of claims exclusive jurisdiction over claims to compensation for private property damaged for public use by the Department of Public Works and Buildings in the construction and improvement of Public highways, were held invalid in *P. ex rel. O'Meara v. Smith*, 374-286, 29 NE2d 274, under Const. art. 6, §§ 12, 23, giving circuit and superior courts original jurisdiction of all causes in law and equity.

ALL CONTRACTS FOR HOUSING, SLUM CLEARANCE
AND REDEVELOPMENT AND BY PUBLIC BUILDING COM-
MISSIONS ARE SUBJECT TO THE PROVISIONS, AND THE
REQUIREMENTS FOR BOND, ETC., AS PRESCRIBED BY

CHAPTER 29

CONTRACTS

Illinois Revised Statutes, 1955, State Bar Association Edition
Section 1 § to 42 § 3.

CONTRACTS UNDER SEAL AND RELATING TO REAL ESTATE

Act of March 19, 1872

- § 1. Seal.
- § 2. Enforcement of contract in case of death, etc.
- § 3. Petition—notice—performance of contract.
- § 4. Proceeding by executor, etc.
- § 5. Service on minor heirs.
- § 6. Continuance—decree.
- § 7. Record—costs.
- § 8. Guardians and conservators.

CONTRACTS FOR RENTAL OF PERSONAL PROPERTY

Act of June 29, 1921

- § 9. Money advanced to be deposited.
- § 10. Return when contract completed.
- § 11. Return by consent when contract uncompleted.
- § 12. Upon failure to consent may file suit.
- § 13. Trial—costs.
- § 14. Interest.

CONTRACTS FOR PUBLIC WORKS

Act of June 20, 1931

- § 15. Bond required—Provisions required in bond.
- § 16. Recovery on bond—notice of claim—limitation.

RACE DISCRIMINATION PROHIBITED

Act of July 8, 1933

- § 17. Race or color discrimination prohibited in contracts for public work.
- § 18. Deemed incorporated in contract.
- § 19. Includes independent contractors, etc.
- § 20. Deduction from compensation.
- § 21. Recovery by injured person.
- § 22. Criminal penalty.
- § 23. To be inscribed in contract.
- § 24. Partial invalidity—construction.

DISCRIMINATION IN EMPLOYMENT UNDER DEFENSE CONTRACTS

Act of July 21, 1941

- § 24a. Public policy declared.
- § 24b. War defense contractors.
- § 24c. Discrimination because of race or color in hiring or training employees prohibited.
- § 24d. Complaints—prosecutions.
- § 24e. Punishment for violations.
- § 24f. Display of copy of act.
- § 24g. Fine for each day's violation.

PUBLIC CONTRACTS WITH FEDERAL AGENCIES

Act of July 5, 1933

- § 25. Public agencies authorized to make contracts and loans from Federal agencies.
- § 25a. May pledge judgments, accounts and revenue to secure loans.
- § 26. Required provisions in contracts.
- § 27. Authorization to make contracts and obtain loans.

Act of Oct. 17, 1932.

- § 28. Municipalities may contract with and obtain loans from Reconstruction Finance Corporation.
- § 29. Conditions relating to employment.
- § 30. Contracts already made.
- § 31. Full authority in connection with contracts and loans.
- § 32. Emergency.

FEDERAL GRANTS AND LOANS FOR MUNICIPAL CORPORATIONS, ETC.

33. Repealed.

Act of July 6, 1938

- § 33a. Municipal corporations and political subdivisions may obtain grants and loans from United States Government.

RETAILERS' TAX ON PUBLIC PURCHASES

Act of June 14, 1937

- §§ 34, 35. Repealed.

ILLINOIS MINED COAL FOR PUBLIC INSTITUTIONS

Act of July 13, 1937

- § 36. Purchase of Illinois mined coal for public institutions.
- § 37. "Institution" defined.
- § 38. Penalty for violation.
- § 39. Department to investigate violations and institute prosecutions.

PUBLIC PURCHASES IN OTHER STATES

Act of Aug. 3, 1939

- § 40. "Institution" defined.
- § 41. Purchase for public institutions of commodities in other states—preferences.
- § 42. Violation a misdemeanor.

CONTRACTS UNDER SEAL AND RELATING
TO REAL ESTATE

AN ACT in regard to contracts under seal, and relating to sales of real estate and the enforcement thereof. (Approved March 19, 1872. L.1871-2, p. 277.)

1. Seal.) § 1. *Be it enacted by the People of the State of Illinois, represented in the General Assembly:* That any instrument of writing, to which the maker shall affix a scrawl by way of seal, shall be of the same effect and obligation, to all intents, as if the same were sealed.

2. Enforcement of contract in case of death, etc.) § 2. When any person, who has heretofore entered, or may hereafter enter into any contract, bond or memorandum in writing, to make a deed or title to land in this state, for a valuable consideration, and shall have died, or become lunatic or insane, without having executed and delivered said deed, it shall and may be lawful for any court, having chancery jurisdiction, in the county where the land, or some part thereof, may be situated, to make an order compelling the executors or administrators of such deceased person or conservator of such lunatic or insane person, to execute and deliver such deed to the party having such equitable right, as aforesaid, to the same, or his heirs, according to the true intent and meaning of said contract, bond or memorandum; and all such deeds shall be good and valid in law. (As amended by act approved April 24, 1873. L.1873, p. 70, § 1.)

3. Petition—Notice—Performance of contract.) § 3. It shall not be lawful for any court to make such order, except upon the petition, in writing, of the person entitled to the benefit of the same, or his heirs, setting forth the said contract, bond or memorandum in writing, and fully describing the lands to be conveyed, nor until the person or persons so applying for such title shall have given reasonable notice of the time and place of such application to the executor, administrator and heirs of such person so deceased, or conservator of such lunatic or insane person, and shall have fully paid, discharged and fulfilled the consideration of such contract, bond or memorandum in writing, as to the premises sought to be conveyed to the petitioner, or the petitioner shall be entitled in equity to a conveyance, according to the true intent, tenor and effect thereof.

4. Proceeding by executor, etc.) § 4. The executor, administrator or heirs of any deceased person who shall have made such contract, bond or memorandum in writing, in his life time, for the conveyance of land, for a valuable consideration, or the conservator of any lunatic or insane person who shall have made such contract, bond or memorandum in writing before his lunacy or insanity, when such consideration has been paid and fulfilled as aforesaid, or a conveyance ought to be made, may, upon application in writing, obtain such order upon giving notice to the party to whom such deed is intended to be made, and under the same condition as is provided in this chapter.

5. Service on minor heirs.) § 5. In all cases where any minor heirs shall be interested in such proceedings aforesaid, reasonable notice of such application shall be given to the guardian of such minors; and if there shall be no guardian, then the said court shall appoint a guardian to litigate and act in such case.

6. Continuance—Decree.) § 6. In all cases where application shall be made as aforesaid, the court shall have power to continue the same from time to time to obtain such evidence as the nature of the case shall require; and no decree for the conveyance of land, upon application as aforesaid, shall be made, unless the said courts shall be satisfied that decree can be made without injustice to any heir or creditor of the deceased, or the estate of such lunatic or insane person, and that the same is just and equitable. (As amended by act approved June 21, 1933. L.1933, p. 295. In force Jan. 1, 1934.)

7. Record—Costs.) § 7. A complete record of such petition and proceedings thereon shall be made, and the court shall order payment of costs as shall appear right and equitable.

8. Guardians and conservators.) § 8. Guardians and conservators of habitual drunkards may sue and be sued under this act, in the same manner and with like effect as in case of idiots or lunatics.

CONTRACTS FOR RENTAL OF PERSONAL PROPERTY

AN ACT relating to money deposited or advanced under contracts for the use of the rental of personal property. (Approved June 29, 1921. L.1921, p. 345.)

9. Money advanced to be deposited.) § 1. *Be it enacted by the People of the State of Illinois, represented in the General Assembly:* In all contracts for the use or rental of personal property by the terms of which money is advanced or deposited as security for the property rented, or for the payment of rentals as they become due or for the performance of the terms of the contract, the money so advanced shall be deposited at interest with a bank of trust company authorized by law to do business, in trust for the use of the parties to such contract or agreement.

There shall also be deposited with the money advanced a copy of the contract for the rental or use of the property.

10. Return when contract completed.) § 2. When the contract has been completed, or has been rescinded by mutual consent the money advanced shall be released and returned by the consent of the contracting parties to the party who advanced it.

11. Return by consent when contract uncompleted.) § 3. In the event that the contract is not completed and its further performance is refused by one or more of the contracting parties the money deposited may be released and returned to the party advancing it by the mutual consent of the contracting parties.

12. Upon failure to consent may file suit.) § 4. If the contracting parties do not consent to the return of the money deposited, either the party advancing the money, or the party for whose security the money was advanced may file a suit in equity in any court of competent jurisdiction in the county where the bank or trust company is located. The other contracting party and the bank or trust company in which the money is deposited shall be made parties defendant to the suit. (As amended by act approved June 28, 1935. L.1935, p. 563.)

13. Trial—Costs.) § 5. The court shall try the issues and if it finds that the party advancing the money is not liable for any damages for which the money was security under the terms of the contract, it shall enter an order returning the money to him. If, however, the court finds that the party for whose security the money was deposited is entitled to damages secured by the money, it shall assess his damages, enter judgment accordingly and direct that the balance, if any, shall be returned to the party advancing the money. The costs of suit shall be taxed by the court in its discretion, except that no judgment or decree for costs shall be entered against the bank or trust company.

14. Interest.) § 6. Any interest which accrues while the money advanced is so deposited shall be kept with the principal sum and shall be disposed of in the same manner as the principal sum in accordance with the provisions of this Act.

CONTRACTS FOR PUBLIC WORKS

AN ACT in relation to bonds of contractors entering into contracts for public construction. (Approved June 20, 1931. L.1931, p. 385.)

Be it enacted by the People of the State of Illinois, represented in the General Assembly:

15. Bond required--Provisions required in bond.) § 1. All officials, boards, commissions or agents of this State, or of any political subdivision thereof in making contracts for public work of any kind to be performed for the State, or a political subdivision thereof shall require every contractor for such work to execute a bond to the State, or to the political subdivision thereof entering into such contract, as the case may be, with good and sufficient sureties, and in an amount to be fixed by said officials, boards, commissions, commissioners or agents, and such bond, among other conditions, shall be conditioned for the payment of material used in such work and for all labor performed in such work, whether by subcontractor or otherwise.

Each such bond shall be deemed to contain the following provisions whether such provisions be inserted in such bond or not:

"The principal and sureties on this bond agree to pay all persons, firms and corporations having contracts with the principal or with sub-contractors, all just claims due them under the provisions of such contracts for labor performed or materials furnished, in the performance of the contract on account of which this bond is given, when such claims are not satisfied out of the contract price of the contract on account of which this bond is given, after final settlement between the officer, board, commission or agent of the State or of any political subdivision thereof and the principal has been made." As amended by act approved July 15, 1941. L.1941, vol. 1, p. 407.

16. Recovery on bond--Notice of claim--Limitation.) § 2. Every person furnishing material or performing labor, either as an individual or as a sub-contractor for any contractor, with the State, or a political subdivision thereof where bond shall be executed as provided in this Act, shall have the right to sue on such bond in the name of the State, or the political subdivision thereof entering into such contract, as the case may be, for his use and benefit, and in such suit the plaintiff shall file a copy of such bond, certified by the party or parties in whose charge such bond shall be, which copy shall, unless execution thereof be denied under oath, be prima facie evidence of the execution and delivery of the original; provided, however, that this Act shall not be taken to in any way make the State, or the political subdivision thereof entering into such contract, as the case may be, liable to such subcontractor, materialman or laborer to any greater extent than it was liable under the law as it stood before the adoption of this Act. Provided, however, that any person having a claim for labor, and material as aforesaid shall have no such right of action unless he shall have filed a verified notice of said claim with the officer, board, bureau or department awarding the contract, within 180 days after the date of the last item of work or the furnishing of the last item of materials. The claim shall be verified and shall contain (1) the name and address of the claimant; the business address of the claimant within this State and if the claimant shall be a foreign corporation having no place of business within the State, the notice shall state the principal place of business of said corporation and in the case of a partnership, the notice shall state the names and residences of each of the partners; (2) the name of the contractor for the government; (3) the name of the person, firm or corporation by whom the claimant was employed or to whom he or it furnished materials; (4) the amount of the claim; (5) a brief description of the public improvement sufficient for identification.

No defect in the notice herein provided for shall deprive the claimant of his right of action under this article unless it shall affirmatively appear that such defect has prejudiced the rights of an interested party asserting the same.

Provided, further, that no action shall be brought until the expiration of one hundred and twenty (120) days after the date of the last item of work or the furnishing of the last item of materials, except in cases where the final settlement between the officer, board, bureau or department of municipal corporation and the contractor shall have been made prior to the expiration of the one hundred and twenty (120) day period, in which case action may be taken immediately following such final settlement; nor shall any action of any kind be brought later than six (6) months after the acceptance by the State or political subdivision thereof of the

building project or work. Such suit shall be brought only in the circuit court of this State in the judicial district in which the contract is to be performed. As amended by act approved July 20, 1949. L.1949, p. 596.

RACE DISCRIMINATION PROHIBITED

AN ACT to prohibit discrimination and intimidation on account of race or color in employment under contracts for public buildings or public works. (Approved July 8, 1933. L. 1933, p. 296.)

Be it enacted by the People of the State of Illinois, represented in the General Assembly:

17. Race or color discrimination prohibited in contracts for public work.) § 1. No person shall be refused or denied employment in any capacity on the ground of race or color, nor be discriminated against in any manner by reason thereof, in connection with the contracting for or the performance of any work or service of any kind, by, for, on behalf of, or for the benefit of this State, or of any department, bureau, commission, board, or other political subdivision or agency thereof.

18. Deemed incorporated in contract.) § 2. The provisions of this Act shall automatically enter into and become a part of each and every contract or other agreement hereafter entered into by, with, for, on behalf of, or for the benefit of this State, or of any department, bureau, commission, board, other political subdivision or agency, officer or agent thereof, providing for or relating to the performance of any of the said work or services or of any part thereof.

19. Includes independent contractors, etc.) § 3. The provisions of this Act also shall apply to all contracts entered into by or on behalf of all independent contractors and subcontractors, and any and all other persons, associations or corporations, providing for or relating to the doing of any of the said work or the performance of any of the said services, or any part thereof.

20. Deduction from compensation.) § 4. No contractor, subcontractor, nor any person on his behalf shall, in any manner, discriminate against or intimidate any employee hired for the performance of work for the benefit of the State or for any department, bureau, commission, board, other political subdivision or agency, officer or agent thereof, on account of race or color; and there may be deducted from the amount payable to the contractor by the State of Illinois or by any municipal corporation thereof, under this contract, a penalty of five dollars for each person for each calendar day during which such person was discriminated against or intimidated in violation of the provisions of this Act.

21. Recovery by injured person.) § 5. Any person who or any agency, corporation or association which shall violate any of the provisions of the foregoing sections, or who or which shall aid, abet, incite or otherwise participate in the violation of any of the said provisions, whether the said violation or participation therein shall occur through action in a private, in a public, or in any official capacity, shall be liable to a penalty of not less than one hundred nor more than five hundred dollars for each and every said violation or participation therein with respect to each person aggrieved thereby, to be recovered by each such aggrieved person, or by any other person to whom such aggrieved person shall assign his cause of action, in any court of competent jurisdiction in the county in which the plaintiff or the defendant shall reside.

22. Criminal penalty.) § 6. Any person who or any agency, corporation or association which shall violate any of the provisions of the foregoing sections, or who or which shall aid, abet, incite or otherwise participate in the violation of any of the said provisions, whether the said violation or participation therein shall occur through action in a private, in a public, or in any official capacity, shall also be deemed guilty of a misdemeanor

for each and every said violation or participation and on conviction thereof, shall be punished by a fine of not less than one hundred nor more than five hundred dollars, or, in the case of non-corporate violators, or participators, by imprisonment for not less than thirty nor more than ninety days, or by both such fine and imprisonment.

23. To be inscribed in contract.) § 7. The provisions of this Act shall be printed or otherwise inscribed on the face of each contract to which it shall be applicable, but their absence therefrom shall in no wise prevent or affect the application of the said provisions to the said contract.

24. Partial invalidity—Construction.) § 8. The invalidity or unconstitutionality of any one or more provisions, parts, or sections of this Act shall not be held or construed to invalidate the whole or any other provision, part, or section thereof, it being intended that this Act shall be sustained and enforced to the fullest extent possible and that it shall be construed as liberally as possible to prevent refusals, denials, and discriminations of and with reference to the award of contracts and employment thereunder, on the ground of race or color.

DISCRIMINATION IN EMPLOYMENT UNDER DEFENSE CONTRACTS

AN ACT concerning discrimination on account of race, color or creed in the training and employment of persons, firms or corporations engaged in the performance of war defense contracts of the State or Federal Government and providing penalties therefor. Approved July 21, 1941. L.1941, vol. 1, p. 557.

Be it enacted by the People of the State of Illinois, represented in the General Assembly:

24a. Public policy declared.) § 1. In the construction of this act the public policy of the state of Illinois is hereby declared as follows: To facilitate the rearmament and defense program of the Federal government by the integration into the war defense industries of the state of Illinois all available types of labor, skilled, semi-skilled and common shall participate without discrimination as to race, color or creed whatsoever.

24b. War defense contractors.) § 2. Every person, firm, association or corporation and the subcontractor, agent, or employee of the same to whom has been awarded a contract and to whom shall be awarded a contract by the United States government or any agency thereof and every person, firm, association or corporation which has been authorized or directed or is engaged in the training of persons for skilled or semi-skilled positions of labor for the United States government or any agency thereof and every subcontractor of any such person, firm, association, or corporation is designated in this act a war defense contractor.

24c. Discrimination because of race or color in hiring or training employees prohibited.) § 3. It shall be unlawful for any war defense contractor, its officers or agents or employees to discriminate against any citizen of the state of Illinois because of his race or color in the hiring of employees and training for skilled or semi-skilled employment, and every such discrimination shall be deemed a violation of this act.

24d. Complaints—Prosecutions.) § 4. Upon the filing of a verified complaint, setting out the facts of the alleged discrimination in the office of the Department of Labor of the State of Illinois, and the state's attorneys of the respective counties of the State of Illinois and the attorney general of Illinois on the relation of the State of Illinois, it shall be the duty of said respective officers or their assistants to enforce the prosecution of any violation of this act.

24e. Punishment for violations.) § 5. Any war defense contractor, its officers, agents or employees who shall violate any provisions of this act shall, upon conviction thereof, be fined in a

sum of not less than one hundred dollars nor more than five hundred dollars in any court of competent jurisdiction in the county in which the defendant shall reside.

24f. Display of copy of act.) § 6. A copy of this act shall be furnished by the Department of Labor and shall be prominently displayed by each war defense contractor in its employment office and room where applicants for employment or training are interviewed. This shall be done by such war defense contractor within thirty days after the effective date of this Act and any violation of this section shall be deemed a misdemeanor punishable by a fine in the sum of twenty-five dollars.

24g. Fine for each day's violation.) § 7. Whereas, each day a national defense emergency exists, persons of health, ability and skill are hourly being deprived of training and employment solely because of discrimination of color, race and creed. The penalty set out in paragraph six shall be a separate offense for each day and the offender shall be fined for each day's violation separately.

PUBLIC CONTRACTS WITH FEDERAL AGENCIES

AN ACT to authorize public agencies, political subdivisions, public municipal instrumentalities, and municipalities, public corporations, boards and commissions to apply for grants and make loans from and contracts with the federal emergency administration of public works as and when the same is created under an act of congress to aid in financing any public works program authorized by federal, state or municipal law. (Approved July 5, 1933. L. 1933, p. 221.)

Be it enacted by the People of the State of Illinois, represented in the General Assembly:

25. Public agencies authorized to make contracts and loans from Federal agencies.) § 1. The public authorities, public agencies, political subdivisions, School Districts, public municipal instrumentalities and municipalities, public corporations, boards and commissions (all of which are herein called municipalities) are hereby authorized to apply for grants and make loans from and contracts with the Federal Emergency Administration of Public Works or such officers and agencies as and when the same are created or empowered to act under an Act of Congress entitled, "An Act to encourage national industrial recovery, to foster fair competition, and to provide for the construction of certain useful public works, and for other purposes,"¹ and to aid in financing any public works program authorized under Federal, State or municipal law. Such loans or contracts to be made by said municipalities through the purchase by the Federal Emergency Administration of Public Works of the securities of such municipalities or otherwise or by pledging the securities of any of said municipalities and all such municipalities are hereby authorized and empowered if deemed necessary or desirable to sell or pledge their securities for the purpose in this Act specified. Provided, that no securities shall be sold or pledged by any such municipality except such securities as are authorized to be issued by laws of this State (other than this Act) in force prior to August 1, 1935. (As amended by act approved July 6, 1935. L.1935, p. 870.)

¹ 48 Stat. 195.

25a. May pledge judgments, accounts and revenue to secure loans.) § 1a. In addition to the power granted in section one (1) of this act,¹ the proper authorities of any such municipality may pledge, as collateral security for any loan made to any such municipality pursuant to contract made or approved by the Federal Emergency Administration of Public Works or such officers and agencies empowered to act, any judgment rendered by any court in favor of such municipality, all open accounts, bills receivable and revenue derived from the sale of electrical energy by such municipality. (Added by act approved May 4, 1934. L.1933-34, Third Sp. Sess., p. 144.)

¹ Section 25, ante.

26. Required provisions in contracts.) § 2. That any and all contracts let for construction projects and all loans made and grants procured pursuant to the provisions of said Act of Congress shall contain such provisions as are necessary to insure (1) that no convict labor shall be employed on any such project; (2) that except in executive administrative and supervisory positions so far as practicable, no individual directly employed on any such project shall be permitted to work more than thirty hours in any one week; (3) that all employees shall be paid just and reasonable wages which shall be compensation sufficient to provide for the hours of labor as limited, a standard of living in decency and comfort; (4) that in the employment of labor in connection with any such project, preference shall be given, where they are qualified to ex-service men with dependents. Then in the following order:

(a) To bona fide residents of the political subdivision or county in which the work is to be performed, who are either citizens of the United States or aliens who have declared their intentions of becoming citizens, and

(b) To bona fide residents of the State, territory or district in which the work is to be performed who are either citizens of the United States or aliens who have declared their intentions of becoming citizens.

Provided that these preferences shall apply only where such labor is available and qualified to perform the work to which the employment relates and (5) that the maximum of human labor shall be used in lieu of machinery wherever practicable and consistent with sound economy and public advantage.

27. Authorization to make contracts and obtain loans.) § 3. That the proper authorities of any such municipality be, and they are hereby, authorized to make applications for grants and loans from and contracts with the Federal Administration of Public Works in aid of any public works program authorized by Federal, State or Municipal law, and to make any loan or enter into any contract which may be approved by the Federal Emergency Administration of Public Works or such officers and agencies empowered to act on such terms and conditions as may be prescribed and may authorize the doing of all things and acts, and the execution of such documents and instruments, and adopt such resolutions and ordinances in connection therewith, that may be required by the Federal Emergency Administration of Public Works or such officers and agencies empowered to act to effect any sale or pledge of the warrants issued in anticipation of the collection of taxes or of the bonds of such municipalities or to procure grants in order to obtain financial aid.

AN ACT to authorize public agencies, political subdivisions, public municipal instrumentalities, and municipalities, public corporations, boards and commissions to apply for and make loans from and contracts with the Reconstruction Finance Corporation as created by Act of Congress to aid in financial projects authorized under Federal, State or municipal law. (Approved Oct. 17, 1932. L.1932, Fourth Sp. Sess., p. 21.)

Be it enacted by the People of the State of Illinois, represented in the General Assembly:

28. Municipalities may contract with and obtain loans from Reconstruction Finance Corporation.) § 1. That the proper authorities of public agencies, political subdivisions, public municipal instrumentalities and municipalities, public corporations, boards and commissions (all of which are herein called municipalities) are hereby authorized to apply for and make loans from and contracts with the Reconstruction Finance Corporation as authorized by an Act of Congress entitled "An Act to relieve destitution, to broaden the lending powers of the Reconstruction Finance Corporation, and to create employment by providing for and expediting a public-works program" to aid in financing projects authorized under Federal, State or municipal law. Such loans or contracts to be made by said municipalities through the purchase by the Reconstruction Finance Corporation of the securities of such municipalities or otherwise or by pledging the securities of any of said municipalities, and all such municipalities

are hereby authorized and empowered, if deemed necessary or desirable, to pledge their securities for the purposes in this Act specified.

29. Conditions relating to employment.) § 2. That any and all such loans from and contracts with the municipalities by the Reconstruction Finance Corporation shall be subject to the conditions that no convict labor shall be directly employed on any project specified in section one hereof; and that (except in executive, administrative and supervisory positions) so far as practicable, no individual directly employed on any such project shall be permitted to work more than thirty hours in any one week and that in the employment of labor in connection with any such project preference will be given, where they are qualified, to ex-service men with dependents. Any existing laws in conflict with this section shall not be applicable to employment in connection with any such project.

30. Contracts already made.) § 3. That wherever any of said municipalities has heretofore entered into a contract with a person, firm or corporation for the construction of any project specified in section one hereof and the work under said contract is not completed then said municipality may enter into a supplementary agreement with any such person, firm or corporation, on such terms as may be agreed upon, to incorporate in such original contract the conditions set forth in section two hereof to apply solely to the uncompleted portion of said original contract.

31. Full authority in connection with contracts and loans.) § 4. That the proper authorities of any such municipality be and they are hereby authorized to make applications for loans from and contracts with the Reconstruction Finance Corporation in aid of any project specified in section one hereof and to make any loan or enter into any contract which may be approved by the Reconstruction Finance Corporation on such terms and conditions as it may prescribe, and may authorize the doing of all things and acts, and the execution of such documents and instruments, and adopt such resolutions and ordinances in connection therewith, not in conflict with the Constitution of the State of Illinois, that may be required by the Directors of said Reconstruction Finance Corporation to effect any sale or pledge of the securities of such municipalities in order to obtain financial aid.

32. Emergency.) § 5. Emergency section.

FEDERAL GRANTS AND LOANS FOR MUNICIPAL CORPORATIONS, ETC.

33. § 1 (L.1935, p. 507). Repealed by Act approved July 6, 1938, First Sp.Sess., p. 17.

AN ACT to enable municipal corporations and political subdivisions of this State to obtain grants and loans for public work projects from the United States Government, or any agency thereof, to authorize such municipal corporations and political subdivisions to sell or pledge their securities therefor, to pledge any revenue to be derived from such public work projects, and to issue revenue bonds and special certificates payable solely out of the revenue derived from such projects. Approved July 6, 1938. L.1938, First Sp.Sess., p. 17.

33a. Municipal corporations and political subdivisions may obtain grants and loans from United States Government.) § 1.

Be it enacted by the People of the State of Illinois, represented in the General Assembly: In addition to the right, power and authority expressly given and granted by any Act and not in limitation thereof all municipal corporations and political subdivisions of this State (herein called municipalities) hereby are authorized to apply for and accept grants and loans from and contract with the United States Government, or any department or agency thereof as and when the same is created or empowered to act for the United States, for the purpose of aiding in financing the establish-

ment, construction, improvement, extension, purchase or use of any public work project within the scope of or relating to the authorized corporate functions and operations or powers of the particular municipality and to sell or pledge therefor any securities which such municipality is authorized to issue. Such municipalities hereby are authorized to pledge any revenue to be derived from any such public work projects and to issue bonds or special certificates payable solely out of the revenue derived from such projects.

(§ 2. Repeal.)

RETAILERS' TAX ON PUBLIC PURCHASES

34, 35. (L.1937, p. 1127.) Repealed by act approved July 13, 1953. L.1953, p. 1137.

ILLINOIS MINED COAL FOR PUBLIC INSTITUTIONS

AN ACT concerning the use of Illinois mined coal in certain plants and institutions. (Filed July 13, 1937. L.1937, p. 1207.)

Be it enacted by the People of the State of Illinois, represented in the General Assembly:

36. Purchase of Illinois mined coal for public institutions.)

§ 1. The board of trustees or other officer in charge of every institution in the State of Illinois which is supported in whole or in part by public funds or which is owned by any municipal corporation or political subdivision of this State, who are authorized and required to purchase coal for fuel purposes in the operation of any such institution, shall be required to purchase and use coal which is mined in the State of Illinois, if the cost of coal mined in the State of Illinois is not more than ten per cent (10%) greater than the cost of coal mined in any other State or States, including the cost of transportation.

37. "Institution" defined.) § 2. The term "institution" as used in this Act shall mean all institutions maintained by the State or by any municipal corporation or political subdivision thereof, including municipally owned public utility plants.

38. Penalty for violation.) § 3. Any trustee or officer who shall violate any of the provisions of this Act shall be deemed

guilty of a misdemeanor, and upon conviction thereof, shall be fined in any sum not exceeding five hundred dollars (\$500).

39. Department to investigate violations and institute prosecutions.) § 4. The Department of Mines and Minerals shall, upon its own motion or upon complaint, investigate any violations of this Act. If after any such investigation such Department is satisfied that any of the provisions of this Act have been violated, it shall institute proceedings for the prosecution of such violators in any court of competent jurisdiction. Added by act approved July 25, 1939. L.1939, p. 450.

PUBLIC PURCHASES IN OTHER STATES

AN ACT concerning the purchase by Illinois institutions of commodities grown or produced in other States. Filed August 3, 1939. L.1939, p. 1155.

Be it enacted by the People of the State of Illinois, represented in the General Assembly:

40. "Institution" defined.) § 1. The term "institution," as used in this Act, means all institutions maintained by the State or any political subdivision thereof or municipal corporation therein, including municipally-owned public utility plants.

41. Purchase for public institutions of commodities in other states—Preferences.) § 2. The board of trustees or other officer or officers in charge of every institution in the State of Illinois, which is supported in whole or in part by public funds, who are authorized or required to purchase commodities for use in the operation of any such institution, shall, in purchasing such commodities from vendors in any other state, give preference to vendors in those states whose preference laws do not prohibit the purchase by the public institutions of such states of commodities grown or produced in Illinois.

42. Violation a misdemeanor.) § 3. Any trustee or officer who violates any provision of this Act shall be guilty of a misdemeanor, and upon conviction thereof, shall be fined in an amount not exceeding five hundred dollars (\$500.00).

COMMISSIONERS AND EMPLOYEES OF HOUSING AUTHORITIES AND LAND CLEARANCE COMMISSIONS ARE NOT TO BE INTERESTED IN PROPERTY OR CONTRACTS, AND NO PERSON A MEMBER OF A REDEVELOPMENT COMMISSION, OR REDEVELOPMENT CORPORATION OR PUBLIC BUILDING COMMISSION, EITHER BY ELECTION OR APPOINTMENT UNDER LAWS OF THIS STATE, MAY BE INTERESTED IN ANY MANNER, EITHER DIRECTLY OR INDIRECTLY, IN HIS OWN NAME OR IN THE NAME OF ANY OTHER PERSON, ASSOCIATION, TRUST OR CORPORATION, IN ANY CONTRACT OR THE PERFORMANCE OF ANY WORK IN THE MAKING OR LETTING OF WHICH HE MAY BE CALLED UPON TO ACT OR VOTE:-

(a) Section 5. § 5 of the Housing Authorities Act'' - Chapter 67½ - Housing and Redevelopment - Illinois Revised Statutes, 1955, State Bar Association Edition.

5. Commissioner, employee not to be interested in project.) § 5. No commissioner or employee of an Authority shall acquire any interest direct or indirect in any project or in any property included or planned to be included in any project, nor shall he have any interest direct or indirect in any contract or proposed contract for materials or services to be furnished or used in connection with any project. If any commissioner or employee of any Authority owns or controls an interest direct or indirect in any property included in any project, which was acquired prior to his appointment or employment, he shall disclose the same in writing to the Authority and such disclosure shall be entered upon the minutes of the Authority.

(b) Section 70 § 8 of the "Blighted Areas Redevelopment Act of 1947" - Chapter 67½ - Housing and Redevelopment - Illinois Revised Statutes, 1955, State Bar Association Edition.

70. Interest by commissioner or employee in property or contract forbidden.) § 8. No commissioner or employee of a Commission shall acquire any interest direct or indirect in any redevelopment project or in any property included or planned to be included in any redevelopment project, nor shall he have any interest direct or indirect in any contract or proposed contract in connection with any such project. If any commissioner or employee of any Commission owns or controls an interest direct or indirect in any property included in any redevelopment project, he shall disclose the same in writing to the Commission and such disclosure shall be entered upon the minutes of the Commission.

(c) Sections 3 § 3 and 4 § 4 - Interest in Contracts - Officers - Chapter 102 Illinois Revised Statutes, 1955, State Bar Association Edition.

CHAPTER 102

OFFICERS

HOLDING OTHER OFFICE

AN ACT to prevent fraudulent and corrupt practices in the making or accepting of official appointments and contracts by public officers. (Approved April 9, 1872. L.1871-2, p. 612.)

Be it enacted by the People of the State of Illinois, represented in the General Assembly:

1. Supervisor—County commissioners.) § 1. No supervisor or county commissioner, during the term of office for which he is elected, may be appointed to, accept or hold any office other than

chairman of the county board by appointment or election of the board of which he is a member. Any such prohibited appointment or election is void. As amended by act approved May 6, 1949, L.1949, p. 1162.

2. Aldermen of cities—Trustees of villages.) § 2. No alderman of any city, or member of the board of trustees of any village, during the term of office for which he is elected, may accept or be appointed to or hold any office, by the appointment of the mayor or president of the board of trustees. Any such appointment is void. As amended by act approved May 6, 1949, L.1949, p. 1162.

INTEREST IN CONTRACTS

3. Not to be interested in contracts—Not to act as attorney to procure—Bribery.) § 3. No person holding any office, either by election or appointment under the laws or constitution of this state, may be in any manner interested, either directly or indirectly, in his own name or in the name of any other person, association, trust or corporation, in any contract or the performance of any work in the making or letting of which such officer may be called upon to act or vote. No such officer may represent, either as agent or otherwise, any person, association, trust or corporation, with respect to any application or bid for any contract or work in regard to which such officer may be called upon to vote. Nor may any such officer take or receive, or offer to take or receive, either directly or indirectly, any money or other thing of value as a gift or bribe or means of influencing his vote or action in his official character. Any contract made and procured in violation hereof is void. As amended by act approved May 6, 1949, L.1949, p. 1162.

PENALTIES

4. Penalties.) § 4. Any alderman, member of a board of trustees, supervisor or county commissioner, or other person holding any office, either by election or appointment under the laws or constitution of this state, who violates any provision of the preceding sections, is guilty of a misdemeanor, and may be punished by confinement in the penitentiary for not less than one year nor more than five years, or fined not less than \$200 nor more than \$1,000, or both; and in addition thereto, any office or official position held by any person so convicted shall become vacant, and shall be so declared as part of the judgment of court; and the person so convicted may not hold any office or position of trust and confidence in this state until two years after the date of such conviction. As amended by act approved May 6, 1949, L.1949, p. 1162.

VIII

THE COSTS OF THE OFFICIAL BONDS, OR OF THE INDEMNITY ON THE OFFICIAL BONDS OF ALL OFFICERS OF HOUSING AUTHORITIES, LAND CLEARANCE COMMISSIONS, REDEVELOPMENT COMMISSIONS, REDEVELOPMENT CORPORATIONS AND PUBLIC BUILDING COMMISSIONS WHICH ARE REQUIRED TO BE GIVEN BY THE LAWS, RULES OR REGULATIONS THEREOF SHALL BE PAID FOR BY SAID BODIES.

Chapter 103

Official Bonds

Illinois Revised Statutes, 1955, State Bar Association Edition.
Section 16 § 1.

AN ACT relating to the payment of the cost of corporate suretyship and indemnity upon official bonds. (Approved June 7, 1897. L.1897, p. 271. Title as amended by act approved March 27, 1934. L. 1933-34, Third Sp. Sess., p. 207, § 2.)

Be it enacted by the People of the State of Illinois, represented in the General Assembly:

16. Cost of official bond or indemnity on official bonds.)

§ 1. That the state, or any county, township, municipality, public board or body whether organized under general or special act shall pay out of the funds of said state, county, municipality, township, board or body the cost of any official bond furnished by any officer of said state, county, township, municipality, public board or body required by the laws, rules or regulations thereof to execute the same, in case said officer shall furnish the

same with a surety company or companies authorized to do business in this state under the laws thereof, and, if the surety on any such official bond is not such a surety company or companies, the State, county, township, municipality or public board or body shall pay out of its funds the cost of any bond or bonds indemnifying such surety against liability on such official bond, provided the total amount of such indemnity must correspond to the total obligation of such surety on such official bond and that the indemnitor or indemnitors shall be a company or companies authorized by the laws of this State to execute such indemnifying bond or bonds. (As amended by act approved March 27, 1934. L. 1933-34, Third Sp. Sess., p. 207.)

INVESTMENTS IN THE BONDS AND OTHER SECURITIES
OF HOUSING AUTHORITIES, LAND CLEARANCE COMMISSIONS,
NEIGHBORHOOD REDEVELOPMENT CORPORATIONS
AND PUBLIC BUILDING COMMISSIONS HAVE BEEN AUTH-
ORIZED AS FOLLOWS:

(A) In the Bonds and other Securities of Housing Authorities by:

(1) Section 27a § 28 of the "Housing Authorities Act", as amended - Chapter 67½ - Housing and Redevelopment - Illinois Revised Statutes, 1955, State Bar Association Edition:-

27a § 28. Who may invest in bonds of housing authority.) The State and all counties, cities, villages, incorporated towns and other municipal corporations, political subdivisions and public bodies and public officers of any of any thereof¹ thereof, all banks, bankers, trust companies, savings banks and institutions, building and loan associations, savings and loan associations, investment companies and other persons carrying on a banking business, all insurance companies, insurance associations and other persons carrying on an insurance business, and all executors, administrators, guardians, trustees and other fiduciaries may legally invest any sinking funds, moneys or other funds belonging to them or within their control in any bonds or other obligations of a housing authority issued in connection with a project for which the Federal government, the State, or any political subdivision of the State has extended or provided for or has agreed to extend or provide for, financial assistance either in the form of a capital grant, a loan, or an annual subsidy, or by means of tax exemption, the sale, lease, gift or bailment of real or personal property, the furnishing of services, or in any other form, it being the purpose of this section to authorize the investment in such bonds or other obligations of all sinking, insurance, retirement, compensations, pension and trust funds, whether owned or controlled by private or public persons or officers; provided, however, that nothing contained in this section may be construed as relieving any person, firm, or corporation from any duty of exercising reasonable care in selecting securities. As amended by act approved Aug. 3, 1949. L.1949, p. —, S.B.No. 624.

¹Words "of any thereof" probably should be omitted.
Section added: L.1938, Sp. Sess., p. 33.

(2) Section 32 § 5 of the "Housing Cooperation Law", as amended, Chapter 67½ - Housing and Redevelopment - Illinois Revised Statutes, 1955, State Bar Association Edition:-

32. Investment in bonds of housing authority.) § 5. Any State Public Body may purchase or legally invest in any of the bonds of a housing authority located in whole or in part within the area of such State Public Body and exercise all of the rights of any holder of such bonds.

(B) In the Bonds and other Securities of Land Clearance Commissions by:-

(1) Section 88.4 § 26.4 of the "Blighted Areas Redevelopment Act of 1947" as amended, - Chapter 67½ - Housing and Redevelopment - Illinois Revised Statutes 1955, State Bar Association Edition:-

88.4. Who may invest in bonds.) § 26.4. The State and all counties, cities, villages, incorporated towns and other municipal corporations, political subdivisions and public bodies and public officers of any thereof, all banks, bankers, trust companies, savings banks and institutions, building and loan associations, savings and loan associations, investment companies and other persons carrying on a banking business, all insurance companies, insurance associations and other persons carrying on an insurance busi-

ness, and all executors, administrators, guardians, trustees and other fiduciaries may legally invest any sinking funds, monies or other funds belonging to them or within their control in any bonds of a land clearance commission issued in connection with a project for which the United States of America or any agency or instrumentality thereof, the State, or any political subdivision of the State has extended or provided for or has agreed to extend or provide for, financial assistance which prior to the maturity of such bonds, will be in amount which (together with any other monies irrevocably committed to the payment of the principal and interest on such bonds) will suffice to pay the principal of such bonds with interest to maturity thereon and which monies are required to be used for the purpose of paying the principal of and interest on such bonds at their maturity, it being the purpose of this section to authorize the investment in such bonds of all sinking, insurance, retirement, compensation, pension and trust funds whether owned or controlled by private or public persons or officers; provided, however, that nothing contained in this section may be construed as relieving any person, firm or corporation from any duty of exercising reasonable care in selecting securities. Added by Act approved July 13, 1955. L.1955, p. —, S.B.No. 617.

(C) In the Bonds and other Securities of Neighborhood Redevelopment Corporations by:-

Section 291. § 41. of "The Neighborhood Redevelopment Corporation Law", as amended, Chapter 67½ - Housing and Redevelopment - Illinois Revised Statutes 1955, State Bar Association Edition:-

291. § 41. Who may invest in mortgages of neighborhood redevelopment corporations.) The State and all counties, cities, villages, incorporated towns and other municipal corporations, political subdivisions and public bodies, and public officers of any thereof, all banks, bankers, trust companies, savings banks and institutions, building and loan associations, saving and loan associations, investment companies and other persons carrying on a banking business, all insurance companies, insurance associations and other persons carrying on an insurance business, and all executors, administrators, guardians, trustees and other fiduciaries, may legally invest any sinking funds, money or other funds belonging to them or within their control in any Mortgage of a Neighborhood Redevelopment Corporation approved in its issuance as in Section 39 of this Act¹ provided, it being the purpose of this Section to authorize the investment in such Mortgages of all sinking, insurance, retirement, compensation, pension and trust funds, whether owned or controlled by private or public persons or officers; Provided, that nothing contained in this Section shall be construed as relieving any person, firm or corporation from any duty of exercising reasonable care in the selection of securities. As amended by act approved July 13, 1953. L.1953, p. 1138.

¹Section 28a of this section.

(D) In the Bonds and other Securities of Public Building Corporations by:-

Section 272 § 17 of "The Public Building Commission Act", approved July 5, 1955, L.1955, p. —, S.B. 607. Chapter 34 - Counties - Illinois Revised Statutes 1955, State Bar Association Edition:-

272. Revenue Bonds—Legal investments.) § 17. The State and all counties, cities, villages, incorporated towns and other municipal corporations, political subdivisions and public bodies, and public officers of any thereof, all banks, bankers, trust companies, savings banks and institutions, building and loan associations, savings and loan associations, investment companies and other persons carrying on a banking business, all insurance companies, insurance associations and other persons carrying on an insurance business, and all executors, administrators, guardians, trustees and other fiduciaries may legally invest any sinking funds, monies or other funds, belonging to them or within their control in any revenue bonds issued pursuant to this Act, it being the purpose of this section to authorize the investment in such

revenue bonds of all sinking, insurance, retirement, compensation, pension and trust funds whether owned or controlled by private or public persons or officers.

(E) Domestic Insurance Companies may invest in the Bonds and other Securities of Housing Authorities and Neighborhood Redevelopment Corporations by:

Section 736. § 124, (the latter part of subparagraph (e) of Section 737 § 125, - subparagraphs (7) and (8) of Section 740 § 128 of Article VIII - Investments of Domestic Companies - Insurance Code of 1937, Chapter 73 - Insurance - Illinois Revised Statutes 1955, State Bar Association Edition:-

CHAPTER 73

Insurance

Illinois Revised Statutes, 1955, State Bar Association Edition
Insurance Code of 1937, as amended

Article VIII- Investments of Domestic Companies

Section 736 § 124, Section 737 § 125 (1) - (latter part of subparagraph (e)), subparagraphs 7 and 8 and Section 740 § 128

ARTICLE VIII. INVESTMENTS OF DOMESTIC COMPANIES

736. § 124. Authorized Investments.) Any domestic company may, by purchase, by loan or by holding as collateral security, or otherwise, invest its capital, surplus and other funds, or any part thereof as provided in this article, and not otherwise.

737. Investments in Securities.) § 125. (1) Any domestic company may invest in the following securities.

(Latter part of subparagraph (e) of Section 737 § 125)

Notwithstanding the restrictions herein set forth any domestic company may invest (1) in bonds or notes secured by mortgage or trust deed insured by the Federal Housing Administrator, or in debentures issued by him under the terms of an Act of Congress of the United States entitled the "National Housing Act,"¹ and (2) in securities issued by National Mortgage Associations established by or under the authority of the National Housing Act, and (3) in any bonds or other obligations of a housing authority, as authorized by Section 28 of "an Act in relation to housing authorities," approved May 19, 1934, as amended,² and (4) in any mortgage of neighborhood redevelopment corporations as authorized by Section 41 of "An Act to provide for the eradication of slum and blight areas, and the rehabilitation and rebuilding thereof through the medium of neighborhood and redevelopment corporation, with powers and³ eminent domain," approved July 9, 1941,⁴ and (5) in bonds or notes secured by mortgage or trust deed guaranteed as to principal by the administrators⁵ of veterans' affairs pursuant to the provisions of Title III of an Act of Congress of the United States of June 22, 1944 entitled the "Servicemen's Readjustment Act of 1944," as heretofore or hereafter amended.⁶

Notwithstanding the restrictions herein set forth the amount of any first mortgage investment as limited by the first paragraph of this clause (e) may be exceeded if and to the extent that such excess shall be guaranteed by the administrator of veterans' affairs, pursuant to the provisions of Title III of an Act of Congress of the United States of June 22, 1944 entitled the "Servicemen's Readjustment Act of 1944," as heretofore or hereafter amended.

No such domestic company shall in any manner, either directly or indirectly, by means of corporations, holding companies, trustees or otherwise, invest in real estate securities junior to first mortgages. Such domestic company shall not invest in excess of

fifty per cent of its admitted assets in the securities described in this clause (e) and sub-section (7).

(Subparagraphs (7) and (8) of Section 737 § 125)

(7) Any domestic company, in addition to the other investments permitted by this section, as provided in this subsection, may, with the approval of the Director, purchase land situated in this State, and on such land may erect apartments, tenements or other dwelling houses not including hotels, but including accommodations for retail stores, shops, offices and other community services reasonably incident to such projects, and may thereafter own, hold, maintain and manage the land so acquired and the improvements thereon, and collect or receive income therefrom and may grant, sell or convey the same in whole or in part, but may not retain any interest to which title is not unencumbered within the meaning of clause (e) of sub-section (1) of this section or which is junior or in any way secondary or subservient to the interest holding, right or title of any other person, firm association or corporation. Ownership, management and control shall be entire and complete by one company, unless shared by two or more companies subject to this Act, under agreements that will assure concerted action in the management and control of the property and in case of the insolvency of any participating company.

The aggregate investment by any such company under the terms of this sub-section (7) shall not exceed an amount equal to ten per centum of the admitted assets of the company on the thirty-first day of December next preceding the date of the last acquisition, from which ten per centum shall be subtracted the admitted value of all real estate held at the time of investment except such as shall be held in accordance with the provision of clause (a) of sub-section (1) of Section 128¹³ and except such as shall be held as security for contracts for deeds acquired in accordance with the provisions of Clause (e) of sub-section (1) of Section 125,¹⁴ and not in default.

The combined investment by a domestic company in this sub-section (7) and clause (e) of sub-section (1) of this section shall not exceed fifty per centum of the admitted assets of such company on the thirty-first day of December next preceding such investment.

The approval of the Director shall be given on a showing by the company (a) that the company has adequate assets available for such long term investments, (b) that the proposed investment does not exceed the reasonable normal value of the property, or of the interest which the company proposes to acquire, (c) that there is reasonable probability of occupancy of such property sufficient to make the investment profitable, and (d) that all other

requirements of this sub-section (7) and all applicable provisions of the Illinois Insurance Code have been complied with.

The Director shall disapprove any proposed investment which fails to meet all the foregoing requirements or which in any way would jeopardize the interests of the policyholders of the company concerned.

Such orders or decisions of the Director shall be subject to review as provided in Section 407.¹⁵

(8) Any domestic company may invest an amount not to exceed in the aggregate five per centum of its admitted assets without regard to the restrictions in and notwithstanding the provisions of any other sub-section of Section 125 or Section 128, provided that no investment of the kind contemplated by any other sub-section of Section 125, whether or not meeting the requirements thereof, shall be made or held under this sub-section and provided further, that no investment acquired prior to July 1, 1947 may be held under this sub-section. As amended by act approved Aug. 4, 1949. L.1949, p. —, S.B.No. 80.

1 12 U.S.C.A. § 1701 et seq.

2 Chapter 67½ § 27a.

3 Probably should read "of".

4 Chapter 32, § 550.41.

5 Probably should read "administrator".

6 38 U.S.C.A. § 694-694e.

7 Probably should read "if".

8 Section 613 et seq. of this chapter.

9 Probably should read "1934", see 12 U.S.C.A. § 1724 et seq.

10 15 U.S.C.A. § 78a et seq.

11 Section 1013 et seq. of this chapter.

12 Section 739 of this chapter.

13 Section 740 of this chapter.

14 This section.

15 Section 1019 of this chapter.

740. § 128. Restrictions on acquisition and holding of real property.) (1) No domestic company may acquire or hold real property except as follows:

(a) Such as shall be requisite for the convenient accommodation of the transaction of its own business; the amount invested in such real property shall not exceed five per centum of the investing company's admitted assets if a life company, or ten per centum, if a fire or casualty company, but the Director may grant permission to the company to invest in real property for such purpose in such increased amount as he may deem proper on the showing made if, upon a hearing held before him, he shall find that the amount represented by such percentage of its admitted assets is insufficient to provide convenient accommodation for the company's business;

(b) Such as shall have been mortgaged to it in good faith by way of security for loans previously contracted or for monies due;

(c) Such as shall have been conveyed to it in satisfaction of debts previously contracted in course of its dealings;

(d) Such as shall have been purchased at sales on judgments, decrees or mortgages obtained or made for such debts; and

(e) Such unencumbered real property as shall have been acquired, in whole or in part, in exchange for real property of approximately the same value theretofore legally acquired and held by it, provided that the amount invested in any one parcel of property so acquired, other than property acquired for the purpose specified in clause (a) shall not exceed two per centum of the investing company's admitted assets.

(f) Such real estate as shall have been acquired in Section 125.¹

(g) Such as shall be held as security for contracts for deeds acquired in accordance with the provisions of Paragraph (e) of sub-section (1) of Section 125, and not in default.

(h) Such as may be acquired or held in connection with a loan or investment permitted by subsection (8) of Section 125.

(2) All real property acquired for purposes, or in the manner, specified in clauses other than clauses (a), (f), (g) and (h) of sub-section (1) may be held for a period of three years after the company shall have acquired title to the same and thereafter until the date specified in an order issued by the Director directing the company to dispose of the same. The date specified in such order shall be not less than six months from the date of the service of the said order upon the company. No such order

shall be issued without a hearing and a determination by the Director that the interests of the company will not suffer materially by the sale of the same within the period to be specified. As amended by act approved July 21, 1947. L.1947, p. 1143.

1 Section 737 of this chapter.

(F) Savings and Loan Associations may invest in Bonds and other Securities of Housing Authorities, Land Clearance Commissions and Neighborhood Redevelopment Corporations in manner as prescribed by Section 792. § 5-2 of the "Illinois Savings and Loan Act", approved July 5, 1955, Chapter 32 - Corporations - Illinois Revised Statutes, 1955, State Bar Association Edition:-

792. § 5-2. Other Investments. If the board of directors determines at any time that funds are available in excess of the demands and needs of members for loans, maturities, and withdrawals, an association may invest such funds as follows:

(a) In withdrawable capital of any state or Federal association which is a member of an insurance corporation as defined in this Act;

(b) In participating interests in mortgage loans of a type which the association would be authorized to make, if the other participants are associations or corporations insured by an instrumentality of the United States, or are instrumentalities of or corporations owned wholly or in part by the United States or this State;

(c) In obligations of or fully guaranteed by the United States; in stocks or obligations of Federal Home Loan Banks; in stocks or obligations of the Federal National Mortgage Association;

(d) In bonds or other direct obligations of or guaranteed as to principal and interest by this State;

(e) In obligations which by the laws of this State are made legal investments for savings and loan associations;

(f) In bonds or other evidences of indebtedness which are direct general obligations of any county, city, town, village, school district, sanitary district, park district, or other political subdivision or municipal corporation of this State;

(g) With the approval of the Auditor, in the initial purchase and development, or the purchase or commitment to purchase after completion, of home sites and housing for sale or rental, including (without being limited to) projects for the reconstruction, rehabilitation, or rebuilding of residential properties to meet the minimum standards of health and occupancy prescribed by appropriate local authorities, and the provision of accommodations for retail stores, shops, and other community services which are reasonably incident to such housing projects; or in the shares of a corporation which owns one or more of such projects and which is wholly owned by one or more financial institutions whose investments are regulated by the laws of this State or of the United States. The association's aggregate investment under this sub-section shall not exceed ten per cent (10%) of its total assets, and no association shall make an investment of this type unless it has reserves and undivided profits, or guaranty capital, totaling at least five per cent (5%) of the aggregate withdrawal value of the association's withdrawable capital. The Auditor shall approve the investment only if the association shows:

(1) That the association has adequate assets available for such an investment; and

(2) That the proposed investment does not exceed the reasonable normal value of the property or interest therein; and

(3) That there is a reasonable probability of such investment being profitable; and

(4) That all other requirements of this sub-section have been met.

(h) In marketable investment securities, but in no event shall the total amount of such securities of any one maker or obligor exceed two per cent (2%) of the association's total assets, nor shall the aggregate amount of investments under this sub-section exceed fifteen per cent (15%) of such total assets. As used in this sub-section, the term "marketable investment securities" does not include stocks, but means marketable obligations evidencing indebtedness of any person in the form of bonds, notes, or debentures commonly known as investment securities, and of a type customarily sold on recognized exchanges or traded over the counter.

INVESTMENTS BY HOUSING AUTHORITIES, LAND CLEARANCE COMMISSIONS, NEIGHBORHOOD REDEVELOPMENT CORPORATIONS AND PUBLIC BUILDING COMMISSIONS (1) OF FUNDS HELD IN RESERVES, OR SINKING FUNDS, OR IN FUNDS NOT REQUIRED FOR IMMEDIATE DISBURSEMENT, AND (2) THE REINVESTMENT OF FUNDS ARISING FROM RENTALS OR SALES OF PROPERTY ACQUIRED WITH FUNDS GRANTED BY THE STATE OF ILLINOIS ARE SUBJECT TO THE FOLLOWING STATUTORY PROVISIONS:-

- A -

(1) - Funds of Housing Authorities held in reserves or sinking funds, or not required for immediate use may be invested in State or Federal securities:-

Section 8.4 § 8.4 of the "Housing Authorities Act", as amended; - Chapter 67½ - Housing and Redevelopment - Illinois Revised Statutes, 1955, State Bar Association Edition:-

8.4. Borrow, lend or invest money.) § 8.4. An Authority has power to borrow money upon its bonds, notes, debentures, or other evidences of indebtedness and to secure the same by pledges of its revenues, or in any other manner, and in connection with any loan by a government, to agree to limitations upon its exercise of any powers conferred upon the Authority by this Act; to invest any funds held in reserves or sinking funds, or in any funds not required for immediate disbursement in State or Federal securities; to make grants, loans, and advances on such terms as the Authority shall determine, subject to approval of the State Housing Board, to any non-profit corporation referred to in Section 9¹ in order to assist such non-profit corporation in planning, preparing, reconstructing or improving housing to provide an additional supply of decent, safe and sanitary dwellings. Added by act approved July 13, 1955. L.1955, p. —, S.B. 459.

¹ Section 9 of this chapter.

(2) Approval from the State Housing Board is necessary for re-investment by Housing Authorities of funds arising from rentals or sales of any property acquired with funds granted by the State of Illinois:-

Section 60. § 8 of "An Act to facilitate the development and construction of housing, to provide governmental assistance therefor, and to repeal an Act herein named", - Approved July 2, 1947. L.1947 p. 1086. - Chapter 67½ - Housing and Redevelopment - Illinois Revised Statutes, 1955, State Bar Association Edition:-

60. Reinvestment of funds arising from rental or sale.) § 8. No housing authority or land clearance commission shall reinvest or use any funds arising from the rental or sale of any property acquired with funds granted pursuant to this act¹ except with the approval of the State Housing Board.

¹ Sections 53-62 of this chapter.

- B -

Proceeds of sale of land by a Land Clearance Commission may be used in other blighted areas, and upon completion of project any unexpended funds shall be repaid to the State or Municipality in proportion to the contribution made by each:-

Section 87. § 25 of the "Blighted Areas Redevelopment Act of 1947", as amended, - Chapter 67½ - Housing and Redevelopment - Illinois Revised Statutes, 1955, State Bar Association Edition:-

87. Proceeds of sale of lands may be used in other blighted areas—Completion of project—Repayment of unexpended funds.)

§ 25. With the approval of the State Housing Board and the governing body of the municipality, a Land Clearance Commission may use any of the funds arising from the sale of any property acquired by the use of the separate fund herein provided for in furtherance of any of the purposes of this Act in such municipality in the manner provided in this Act.¹ Upon a certificate presented by a Land Clearance Commission to the State Housing Board to the effect that such Commission has completed any project undertaken by it under this Act and that it has no other or further duties to perform in its area of operation, the State Housing Board shall require the Land Clearance Commission to repay to the State of Illinois and to the municipality included in the area of its operation any unexpended and unobligated funds of the Commission, in the proportion in which grants were made to such Commission by the State and the municipality, including therein grants, if any, made by the State to the Commission pursuant to any appropriations for slum and blight eradication, land clearance or other authorized purpose. Grants made pursuant to Section 22² shall be considered as grants made by the State. As amended by act approved Aug. 3, 1949. L.1949, p. —, S.B.No. 622.

¹ Sections 63-91 of this chapter.

² Section 84 of this chapter.

- C -

Proceeds of sale of land under "The Blighted Vacant Areas Development Act of 1949" filed August 13, 1949, L.1949, p. 994 shall be deposited either in the general fund or in such special fund as may be segregated for the administration of said act.

Section 91.7 § 7 of "The Blighted Vacant Areas Development Act of 1949"- Chapter 67½ - Housing and Redevelopment - Illinois Revised Statutes, 1955, State Bar Association Edition:-

91.7 § 7. Funds Derived from Sale. The purchase price for said land shall be deposited either in the general fund or in such special fund as may be segregated for the administration of this Act.¹

¹ Sections 91.1 to 91.7 of this chapter.

- D -

Public funds of any kind or character including current operating funds, special funds, interest and sinking funds belonging to or in the custody of any public agency including Housing Authorities and all other political corporations or subdivisions of the State of Illinois now, or hereafter created, may be invested in bonds, notes, certificates of indebtedness, treasury bills or other securities now or hereafter issued by and constituting direct obligations of the United States of America or in shares or other forms of securities legally issuable by savings and building and loan associations incorporated under the laws of this State or any other state or under the laws of the United States; provided, however, that investments may be made only in those savings and loan or building and loan associations the shares, or investment certificates of which are insured by the Federal Savings and Loan Insurance Corporation.

Section 29. § 1 to 33. § 5 of "An Act to authorize the investment of public funds of public agencies, including the State of Illinois and the political corporations and subdivisions thereof, in obligations of the United States of America, providing for the safekeeping of such securities, the application of the interest

earned thereon, and the sale of such securities. Approved July 23, 1943, L.1943, vol. 1, p. 951 - Chapter 102 - Officers - Investment of Public Funds - Illinois Revised Statutes, 1955, State Bar Association Edition:-

CHAPTER 102

OFFICERS

INVESTMENT OF PUBLIC FUNDS

Act of July 23, 1943

- § 29. "Public funds" and "public agency" defined.
- § 30. Public agencies may invest in obligations of United States or savings and building and loan associations.
- § 31. Designation of payee and fund--registration.
- § 32. Safekeeping and disposition of securities--payments.
- § 33. Construction of act.

INVESTMENT OF PUBLIC FUNDS

AN ACT to authorize the investment of public funds of public agencies, including the State of Illinois and the political corporations and subdivisions thereof, in obligations of the United States of America, providing for the safekeeping of such securities, the application of the interest earned thereon, and the sale of such securities. Approved July 23, 1943. L.1943, vol. 1, p. 951.

Be it enacted by the People of the State of Illinois, represented in the General Assembly:

29. "Public funds" and "public agency" defined.) § 1. The words "public funds", as used in this Act,¹ mean current operating funds, special funds, interest and sinking funds, and funds of any kind or character belonging to or in the custody of any public agency.

The words "public agency", as used in this Act, mean the State of Illinois, the various counties, townships, cities, towns, villages, school districts, special road districts, public water supply districts, fire protection districts, drainage districts, levee districts, sewer districts, housing authorities, and all other political corporations or subdivisions of the State of Illinois, now or hereafter created, whether herein specifically mentioned or not.

¹ Sections 29-33 of this chapter.

30. Public agencies may invest in obligations of United States or savings and building and loan associations.) § 2. Any public agency may invest any public funds in bonds, notes, certificates of indebtedness, treasury bills or other securities now or hereafter issued by and constituting direct obligations of the United States of America or may invest in shares or other forms of securities legally issuable by savings and building and loan associations incorporated under the laws of this state or any other state or under the laws of the United States; provided, however that investments may be made only in those savings and loan or building and loan associations the shares, or investment certificates of which are insured by the Federal Savings and Loan Insurance Corporation. Any such securities may be purchased at the offering or market price thereof at the time of such purchase. Provided, however, that only such public funds shall be so invested as, in the judgment of such governing authority, will not be required for expenditure within a period of ninety days from and after the date of the in-

vestment thereof and, provided further, that all such securities so purchased shall mature or be redeemable on a date or dates prior to the time when, in the judgment of such governing authority, the public funds so invested will be required for expenditure by such public agency or the governing authority thereof. The expressed judgment of any such governing authority as to the time when any public funds will be required for expenditure is final and conclusive. As amended by act approved July 30, 1947. L.1947, p. 1249.

31. Designation of payee and fund--Registration.) § 3. If any securities, purchased under authority of Section 2 hereof,¹ are issuable to a designated payee or to the order of a designated payee, then the public agency shall be so designated, and further, if such securities are purchased with money taken from a particular fund of a public agency, the name of such fund shall be added to that of such public agency. If any such securities are registerable, either as to principal or interest, or both, then such securities shall be so registered in the name of the public agency, and in the name of the fund to which they are to be credited.

¹ Section 30 of this chapter.

32. Safekeeping and disposition of securities--Payments.) § 4. All securities purchased under the authority of this Act¹ shall be held for the benefit of the public agency which purchased them, and if purchased with money taken from a particular fund, such securities shall be credited to and deemed to be a part of such fund, and shall be held for the benefit thereof. All securities so purchased shall be deposited and held in a safe place by the person or persons having custody of the fund to which they are credited, and such person or persons are responsible upon his or their official bond or bonds for the safekeeping of all such securities. Any securities purchased by any such public agency under authority of this Act, may be sold at any time, at the then current market price thereof, by the governing authority of such public agency. All payments received as principal or interest, or otherwise, derived from any such securities shall be credited to the public agency and to the fund by or for which such securities were purchased.

¹ Sections 29-33 of this chapter.

33. Construction of act.) § 5. This Act,¹ without reference to any other statute, shall be deemed full and complete authority for the investment of public funds, as hereinabove provided, and shall be construed as an additional and alternative method therefor.

¹ Sections 29-33 of this chapter.

(§ 6. Emergency.)

SURPLUS OR UNNECESSARY PROPERTY NOT REQUIRED BY HOUSING AUTHORITIES MAY BE SOLD, LEASED, OR EXCHANGED AS PRESCRIBED IN SECTION 9. § 9. OF THE "HOUSING AUTHORITIES ACT" - CHAPTER 67½ - HOUSING AND REDEVELOPMENT - ILLINOIS REVISED STATUTES, 1955, STATE BAR ASSOCIATION EDITION, AND SECTION 59-2. § 59-2 OF ARTICLE 59 OF "REVISED CITIES AND VILLAGES ACT", AS AMENDED - SPECIAL POWERS - SALE, LEASE, OR TRANSFER OF REAL AND PERSONAL PROPERTY BY CITY OR VILLAGE - CHAPTER 24. - CITIES AND VILLAGES - ILLINOIS REVISED STATUTES 1955, STATE BAR ASSOCIATION EDITION:-

(1) - (Last paragraph of Section 9 § 9 of "Housing Authorities Act", as amended) reading:-

The Housing Authority shall have power to hold or use any such property for uses authorized by this Act, or to sell, lease or exchange such property as is not required for such uses by the Authority. In case of sale or lease to other than a public corporation or public agency, notice shall be given and bids shall be received in the manner provided by Section 59-2 of the Revised Cities and Villages Act, approved August 15, 1941, as amended, and bids may be accepted by vote of three of the five Commissioners of the Authority; provided, however, that such requirement of notice and bidding shall not apply to a sale or lease to any individual, association or corporation described in the preceding paragraph; nor to a sale or lease of an individual dwelling unit in a project, to be used by the purchaser as a dwelling for his family; nor to a sale or lease of a project or part thereof to an association to be so used by its members. In case of exchange of property for property privately owned, three disinterested appraisers shall be appointed to appraise the value of the property to be exchanged, and such exchange shall not be made unless the property to be received by the Authority is equal or greater in value than the property to be exchanged therefor, or if less than such value, that the difference shall be paid in money. As amended by act approved Aug. 3, 1949. L.1949, p. —, H.B.No. 624.

(2) - Section 59-2. § 59-2 of Article 59 of "Revised Cities and Villages Act", as amended - Special Powers - Sale, Lease, or Transfer of Real and Personal Property by City or Village - Chapter 24 - Cities and Villages - Illinois Revised Statutes, 1955, State Bar Association Edition:-

59-2. Ordinance for sale or lease for more than twenty years
--Publication--Bids.) § 59-2. An ordinance directing a sale, or a lease of real estate for any term in excess of twenty years, shall specify the location of the real estate and the use thereof. Before the corporate authorities of a city or village make a sale, or a lease of real estate for a term in excess of twenty years, by virtue of such an ordinance, notice of the proposal to sell, or lease for a term in excess of twenty years, shall be published at least twice in one or more newspapers published in the municipality, or, if no newspaper is published therein, then in one or more newspapers with a general circulation within the municipality; except that, in municipalities with less than 500 population in which no newspaper is published, publication may be made by posting a notice in three prominent places within the municipality. The first publication shall be not more than 30 nor less than 15 days in advance of the day provided in the notice for the opening of bids for the real estate. The notice shall contain an accurate description of the property, state the purpose for which it is used, and at what meeting the bids will be considered and opened, and shall advertise for bids therefor. All such bids shall be opened only at a regular meeting of the corporate authorities. A bill shall be accepted only upon a vote of three-fourths of all aldermen or trustees, but by a majority vote, they may reject any and all bids. Provided, however, that any city or village incorporated under any general or special law, may, upon approval by a majority vote of all aldermen or trustees, sell and convey or dedicate any of its real estate to the State, county, township or road district for public highway purposes without being required to offer it for sale at public auction. Any real estate heretofore sold and conveyed or dedicated, by any city or village incorporated under any general or special law, to the State, county, township or road district for public highway purposes in accordance with the provisions of this Amendatory Act shall be valid. As amended by act approved July 21, 1947. L.1947, p. 542.

TAX EXEMPTION

A

HOUSING AUTHORITIES ARE EXEMPT FROM TAXATION
AS PROVIDED IN HOUSING AUTHORITIES ACT AND AS PUB-
LIC CHARITIES UNDER SUB-PARAGRAPH 7 SECTION 500
§ 19 REVENUE ACT OF 1939, AS AMENDED.

Paul A. Krause et al vs. Peoria Housing Authority 370 Illi-
nois 356. The Springfield Housing Authority vs. M. B.
Overaker, County Clerk, et al 390 Illinois 403

Also by Sub-paragraph 12 of Section 500 § 19 Revenue Act of
1939, as amended.

CHAPTER 120

Revenue

Illinois Revised Statutes, 1955, State Bar Association Edition
Revenue Act of 1939, as amended—Taxable and Exempt Property
Sections 500 § 19

500. Property exempt from taxation.) § 19. All property
described in this section to the extent herein limited, shall be
exempt from taxation, that is to say:

(1) All lands donated by the United States for school purposes,
not sold or leased; all property of schools, including the real
estate on which the schools are located and any other real estate
used by such schools exclusively for school purposes, not leased
by such schools or otherwise used with a view to profit; and all
lands, moneys, or other property heretofore or hereafter donated,
granted, received or used for public school, college, seminary,
university, or other public educational purposes, and the proceeds
thereof, whether held in trust or absolutely. The property described
in this paragraph (1) shall be exempt from taxation whether owned
by a resident or nonresident of this State or by a corporation,
whether incorporated in this or in any other state of the United
States, and not leased or otherwise used with a view to profit.

(2) All property used exclusively for religious purposes, or used
exclusively for school and religious purposes or for orphanages
and not leased or otherwise used with a view to profit.

(3) All lands used exclusively as graveyards or grounds for
burying the dead.

(4) Property of the United States, except such property as the
United States has permitted or may permit to be taxed.

(5) All property of every kind belonging to the State of Illinois.

(6) All property belonging to any county, village, or city used
exclusively for the maintenance of the poor; all swamp or over-
flowed lands belonging to any county, so long as the same remain
unsold by such county; all public buildings belonging to any
county, township, city or incorporated town, with the ground on
which such buildings are erected; all property owned by any city
or village located within the incorporated limits thereof, except
such as heretofore has been leased or may hereafter be leased by
such city or village to lessees who are bound under the terms of
the lease to pay the taxes on such property. All property owned
by any city or village located outside the incorporated limits
thereof but within the same county when used for the purposes
of a tuberculosis sanitarium, farm colony in connection with a
house of correction, or nursery, garden or farm for the growing
of shrubs, trees, flowers, vegetables and plants for use in beautify-
ing, maintaining and operating playgrounds, parks, parkways,
public grounds, buildings and institutions owned or controlled by
such city or village; and all property owned by any city or village
outside of the corporate limits of the same if used exclusively
for municipal or public purposes, provided that if at the time of
the acquisition of property to be used for public airport purposes
the city, village, township or school district in which said property

is located is indebted for any amount for payment of which it
provided for the collection of taxes, the property acquired for
public airport purposes shall be subject to taxation for the pay-
ment of said indebtedness in the same proportion as said property
bore to the taxable property in said city, village, township or
school district immediately before the acquisition thereof, ac-
cording to the last assessment for taxation.

(7) All property of institutions of public charity, all property
of beneficent and charitable organizations, whether incorpor-
ated in this or any other state of the United States, and all prop-
erty of old people's homes, when such property is actually and
exclusively used for such charitable or beneficent purposes, and not
leased or otherwise used with a view to profit; and all free public
libraries.

(8) All fire engines or other implements used for the extinguish-
ment of fires, with the buildings used exclusively for the safe
keeping thereof, and the lot of reasonable size on which the build-
ing is located when belonging to any city, village, or town; all
personal property of a corporation or an association which main-
tains a fire patrol and salvage corps for the public benefit and
which property is used exclusively in the maintenance of said
fire patrol and salvage corps to discover and prevent fires, for
saving and preserving property or life at and after a fire, and for
protecting property from loss or damage at and after a fire, and
all real property of such a corporation or an association used ex-
clusively for providing suitable rooms, housing and storage facil-
ities for such personal property, and necessary for the accommo-
dation of a fire patrol and salvage corps, or otherwise used exclu-
sively for the purpose of such fire patrol and salvage corps;
provided such real and personal property is used and such service
rendered indiscriminately and without charge to the public and for
the public benefit, except reasonable charges for the use of fire
covers after the lapse of ten days following the occurrence of loss
or damage, and provided further that if a portion only of the real
and personal property of such a corporation or association is used
exclusively for the purposes aforesaid such property shall be ex-
empt only to the extent of the value of the portion so used, and
the remaining or other portion, to the extent of the value thereof,
shall be subject to taxation; and all real and personal property of
any Patrolmen's Pension Fund, where by statute authority is granted
to create and maintain a fund for the pensioning of disabled fire
insurance patrolmen, and the widows and children of deceased
patrolmen and providing for the retirement from service and the
pensioning of members of the fire insurance patrol, where said
real and personal property is owned and held in the said pension
fund as a part of the investments made pursuant to statute and
used for the purposes aforesaid.

(9) All market houses, public squares and other public grounds
owned by a municipal corporation and used exclusively for public
purposes; all works, machinery and fixtures belonging exclusively
to any town, village or city, used exclusively for conveying water
to such town, village or city; all works, machinery and fixtures
of drainage districts, when used exclusively for pumping water

from the ditches and drains of such district for drainage purposes; provided that if at the time of the acquisition of property to be used for public airport purposes the city, village, township or school district in which said property is located is indebted for any amount for payment of which it provided for the collection of taxes, the property acquired for public airport purposes shall be subject to taxation for the payment of said indebtedness in the same proportion as said property bore to the taxable property in said city, village, township or school district immediately before the acquisition thereof, according to the last assessment for taxation.

(10) All property which may be used exclusively by societies for agricultural, horticultural, mechanical or philosophical purposes, and not for pecuniary profit.

(11) All property of military schools and academies, including buildings, equipment and lands, not exceeding ten acres in amount, used exclusively for school purposes and wherein military science and instruction are made a part of the course of study and are regularly taught in such institution, and where there is detailed by the War Department¹ at Washington, D. C., an officer from the United States Army, as Professor of Military Science and Tactics, and the graduates of which are eligible to appointment as Brevet Second Lieutenants in the Illinois National Guard, or are eligible to appointment as Second Lieutenants in the Officers' Reserve Corps of the United States Army.

(12) All land of housing authorities created under "An Act in relation to Housing Authorities", approved March 19, 1934, as amended,² title to which land has been or shall be acquired from the United States Government or any agency or instrumentality thereof, and any buildings or improvements now or subsequently erected thereon, insofar as such land, buildings and improvements are used for low rent housing purposes, or as an incident thereto; but such land, buildings and improvements or portions thereof intended or used for stores or other commercial purposes shall not be exempt from taxation. Nothing herein shall be construed as exempting property of housing authorities or any part thereof from special assessments or special taxation for local improvements; and nothing herein contained shall be construed as limiting the power of any political subdivision of this State to sell or furnish a housing authority with water, electricity, gas, or other services and facilities under the same basis that such services and facilities may be rendered to others under similar circumstances.

(13) All property of every kind belonging to any municipal corporation created for the sole purpose of owning and operating a transportation system for public service.

(14) In any park district having a population of 500,000 or more inhabitants by the last preceding Federal Census, all property of said district lying within the territorial limits thereof; all property of any such park district located outside the territorial limits thereof when used for the purpose of a nursery, garden, or farm for the growing of shrubs, trees, flowers and plants for use in beautifying, maintaining and operating playgrounds, parks, parkways, public grounds, and buildings owned or controlled by such park district.

(15) All property of any municipal corporation created for the purpose of providing buildings, or space therein, and other facilities to or for the use of municipal corporations and other governmental agencies, including, but without in any way limiting the generality of the foregoing any Public Building Commission created pursuant to the Public Building Commission Act enacted by the 69th General Assembly.³ As amended by act approved July 5, 1955, L.1955, p. ----, S.B.No. 608.

¹ Now Department of the Army, see 10 U.S.C.A. § 2 et seq.

² Chapter 67½, § 1 et seq.

³ Chapter 34, § 256-279.

Amendment by Laws 1955, p.—, H.B. No. 719, see § 500, post.

Amendment by Laws 1955, p.—, S.B. No. 105, see § 500, post.

Final legislative action, 1955 General Assembly:

S.B.No.608—June 29, 1955

S.B.No.105—June 30, 1955

H.B.No.719—June 28, 1955.

As to the effect of more than one amendment of a section at the same session of the General Assembly, see *P. ex rel. Hines v. Baltimore & O. S. W. R. Co.*, 366-318, 8 N.E.2d 655; *P. ex rel. Martin v. Village of Oak Park*, 372-488, 24 N.E.2d 571; *S. Buchsbaum & Co. v. Gordon*, 389-493, 99 N.E.2d 832; *P. ex rel. Schlaeger v. Mattes*, 396-348, 71 N.E.2d 690.

500. Property exempt from taxation.) § 19. All property described in this section to the extent herein limited, shall be exempt from taxation, that is to say:

(1) All lands donated by the United States for school purposes, not sold or leased; all property of schools, including the real estate on which the schools are located and any other real estate used by such schools exclusively for school purposes; not leased by such schools or otherwise used with a view to profit; and all lands, moneys, or other property heretofore or hereafter donated, granted, received or used for public school, college, seminary, university, or other public educational purposes, and the proceeds thereof, whether held in trust or absolutely. The property described in this paragraph (1) shall be exempt from taxation whether owned by a resident or nonresident of this State or by a corporation, whether incorporated in this or in any other state of the United States, and not leased or otherwise used with a view to profit.

(2) All property used exclusively for religious purposes, or used exclusively for school and religious purposes or for orphanages and not leased or otherwise used with a view to profit.

(3) All lands used exclusively as graveyards or grounds for burying the dead.

(4) Property of the United States, except such property as the United States has permitted or may permit to be taxed.

(5) All property of every kind belonging to the State of Illinois.

(6) All property belonging to any county, village, or city used exclusively for the maintenance of the poor; all swamp or overflowed lands belonging to any county, so long as the same remains unsold by such county; all public buildings belonging to any county, township, city or incorporated town with the ground on which such buildings are erected; all property owned by any city or village located within the incorporated limits thereof, except such as heretofore has been leased or may hereafter be leased by such city or village to lessees who are bound under the terms of the lease to pay the taxes on such property. All property owned by any city or village located outside the incorporated limits thereof but within the same county when used for the purposes of a tuberculosis sanitarium, farm colony in connection with a house of correction, or nursery, garden or farm for the growing of shrubs, trees, flowers, vegetables and plants for use in beautifying, maintaining and operating playgrounds, parks, parkways, public grounds, buildings and institutions owned or controlled by such city or village; and all property owned by any city or village outside of the corporate limits of the same if used exclusively for municipal or public purposes, provided that if at the time of the acquisition of property to be used for public airport purposes the city, village, township or school district in which said property is located is indebted for any amount for payment of which it provided for the collection of taxes, the property acquired for public airport purposes shall be subject to taxation for the payment of said indebtedness in the same proportion as said property bore to the taxable property in said city, village, township or school district immediately before the acquisition thereof, according to the last assessment for taxation.

(7) All property of institutions of public charity, all property of beneficent and charitable organizations, whether incorporated in this or any other state of the United States, and all property of old people's homes, when such property is actually and exclusively used for such charitable or beneficent purposes, and not leased or otherwise used with a view to profit; and all free public libraries. No hospital, however, which has been adjudicated by a court of competent jurisdiction to have denied admission to any person because of race, color or creed, shall be exempt from taxation.

(8) All fire engines or other implements used for the extinguishment of fires, with the buildings used exclusively for the safe

keeping thereof, and the lot of reasonable size on which the building is located when belonging to any city, village, or town; all personal property of a corporation or an association which maintains a fire patrol and salvage corps for the public benefit and which property is used exclusively in the maintenance of said fire patrol and salvage corps to discover and prevent fires, for saving and preserving property or life at and after a fire, and for protecting property from loss or damage at and after a fire, and all real property of such a corporation or an association used exclusively for providing suitable rooms, housing and storage facilities for such personal property, and necessary for the accommodation of a fire patrol and salvage corps, or otherwise used exclusively for the purpose of such fire patrol and salvage corps; provided such real and personal property is used and such service rendered indiscriminately and without charge to the public and for the public benefit, except reasonable charges for the use of fire covers after the lapse of ten days following the occurrence of loss or damage, and provided further that if a portion only of the real and personal property of such a corporation or association is used exclusively for the purposes aforesaid such property shall be exempt only to the extent of the value of the portion so used, and the remaining or other portion, to the extent of the value thereof, shall be subject to taxation; and all real and personal property of any Patrolmen's Pension Fund, whereby statute authority is granted to create and maintain a fund for the pensioning of disabled fire insurance patrolmen, and the widows and children of deceased patrolmen and providing for the retirement from service and the pensioning of members of the fire insurance patrol, where said real and personal property is owned and held in the said pension fund as a part of the investments made pursuant to statute and used for the purposes aforesaid.

(9) All market houses, public squares and other public grounds owned by a municipal corporation and used exclusively for public purposes; all works, machinery and fixtures belonging exclusively to any town, village or city, used exclusively for conveying water to such town, village or city; all works, machinery and fixtures of drainage districts, when used exclusively for pumping water from the ditches and drains of such district for drainage purposes; provided that if at the time of the acquisition of property to be used for public airport purposes the city, village, township or school district in which said property is located is indebted for any amount for payment of which it provided for the collection of taxes, the property acquired for public airport purposes shall be subject to taxation for the payment of said indebtedness in the same proportion as said property bore to the taxable property in said city, village, township or school district immediately before the acquisition thereof, according to the last assessment for taxation.

(10) All property which may be used exclusively by societies for agricultural, horticultural, mechanical or philosophical purposes, and not for pecuniary profit.

(11) All property of military schools and academies, including buildings, equipment and lands, not exceeding ten acres in amount, used exclusively for school purposes and wherein military science and instruction are made a part of the course of study and are regularly taught in such institution, and where there is detailed by the War Department¹ at Washington, D. C., an officer from the United States Army, as Professor of Military Science and Tactics, and the graduates of which are eligible to appointment as Brevet Second Lieutenants in the Illinois National Guard, or are eligible to appointment as Second Lieutenants in the Officers' Reserve Corps of the United States Army.

(12) All land of housing authorities created under "An Act in relation to Housing Authorities", approved March 19, 1934, as amended,² title to which land has been or shall be acquired from the United States Government or any agency or instrumentality thereof, and any buildings or improvements now or subsequently erected thereon, insofar as such land, buildings and improvements are used for low rent housing purposes, or as an incident thereto; but such land, buildings and improvements or portions thereof intended or used for stores or other commercial purposes shall not be exempt from taxation. Nothing herein shall be construed as exempting property of housing authorities or any

part thereof from special assessments or special taxation for local improvements; and nothing herein contained shall be construed as limiting the power of any political subdivision of this State to sell or furnish a housing authority with water, electricity, gas, or other services and facilities under the same basis that such services and facilities may be rendered to others under similar circumstances.

(13) All property of every kind belonging to any municipal corporation created for the sole purpose of owning and operating a transportation system for public service.

(14) In any park district having a population of 500,000 or more inhabitants by the last preceding Federal Census, all property of said district lying within the territorial limits thereof; all property of any such park district located outside the territorial limits thereof when used for the purpose of a nursery, garden, or farm for the growing of shrubs, trees, flowers and plants for use in beautifying, maintaining and operating playgrounds, parks, parkways, public grounds, and buildings owned or controlled by such park district. As amended by act approved July 11, 1955. L.1955, p. —, S.B.No. 105.

¹ Now department of the Army, see 10 U.S.C.A. § 2 et seq.

² Chapter 67½, § 1 et seq.

Amendment by Laws 1955, p.—, S.B. No. 608, see § 500, ante.

Amendment by Laws 1955, p.—, H.B. No. 719, see § 500, post.

500. Property exempt from taxation.) § 19. All property described in this section to the extent herein limited, shall be exempt from taxation, that is to say:

(1) All lands donated by the United States for school purposes, not sold or leased; all property of schools, including the real estate on which the schools are located and any other real estate used by such schools exclusively for school purposes, not leased by such schools or otherwise used with a view to profit; and all lands, moneys, or other property heretofore or hereafter donated, granted, received or used for public school, college, seminary, university, or other public educational purposes, and the proceeds thereof, whether held in trust or absolutely. The property described in this paragraph (1) shall be exempt from taxation whether owned by a resident or nonresident of this State or by a corporation, whether incorporated in this or in any other state of the United States, and not leased or otherwise used with a view to profit.

(2) All property used exclusively for religious purposes, or used exclusively for school and religious purposes or for orphanages and not leased or otherwise used with a view to profit.

(3) All lands used exclusively as graveyards or grounds for burying the dead.

(4) Property of the United States, except such property as the United States has permitted or may permit to be taxed.

(5) All property of every kind belonging to the State of Illinois.

(6) All property belonging to any county, village, or city used exclusively for the maintenance of the poor; all swamp or overflowed lands belonging to any county, so long as the same remain unsold by such county; all public buildings belonging to any county, township, city or incorporated town; with the ground on which such buildings are erected; all property owned by any city or village located within the incorporated limits thereof, except such as heretofore has been leased or may hereafter be leased by such city or villages to lessees who are bound under the terms of the lease to pay the taxes on such property. All property owned by any city or village located outside the incorporated limits thereof but within the same county when used for the purposes of a tuberculosis sanitarium, farm colony in connection with a house of correction, or nursery, garden or farm for the growing of shrubs, trees, flowers, vegetables and plants for use in beautifying, maintaining and operating playgrounds, parks, parkways, public grounds, buildings and institutions owned or controlled by such city or village; and all property owned by any city or village outside of the corporate limits of the same if used exclusively for municipal or public purposes, provided that if at the time of the acquisition

of property to be used for public airport purposes the city, village, township or school district in which said property is located is indebted for any amount for payment of which it provided for the collection of taxes, the property acquired for public airport purposes shall be subject to taxation for the payment of said indebtedness in the same proportion as said property bore to the taxable property in said city, village, township or school district immediately before the acquisition thereof, according to the last assessment for taxation.

(7) All property of institutions of public charity, all property of beneficent and charitable organizations, whether incorporated in this or any other state of the United States, and all property of old people's homes, when such property is actually and exclusively used for such charitable or beneficent purposes, and not leased or otherwise used with a view to profit; and all free public libraries.

(8) All fire engines or other implements used for the extinguishment of fire, with the buildings used exclusively for the safe keeping thereof, and the lot of reasonable size on which the building is located when belonging to any city, village, or town; all personal property of a corporation or an association which maintains a fire patrol and salvage corps for the public benefit and which property is used exclusively in the maintenance of said fire patrol and salvage corps to discover and prevent fires, for saving and preserving property or life at and after a fire, and for protecting property from loss or damage at and after a fire, and all real property of such a corporation or an association used exclusively for providing suitable rooms, housing and storage facilities for such personal property, and necessary for the accommodation of a fire patrol and salvage corps, or otherwise used exclusively for the purpose of such fire patrol and salvage corps; provided such real and personal property is used and such service rendered indiscriminately and without charge to the public and for the public benefit, except reasonable charges for the use of fire covers after the lapse of ten days following the occurrence of loss or damage, and provided further that if a portion only of the real and personal property of such a corporation or association is used exclusively for the purposes aforesaid such property shall be exempt only to the extent of the value of the portion so used, and the remaining or other portion, to the extent of the value thereof, shall be subject to taxation; and all real and personal property of any Patrolmen's Pension Fund, whereby statute authority is granted to create and maintain a fund for the pensioning of disabled fire insurance patrolmen, and the widows and children of deceased patrolmen and providing for the retirement from service and the pensioning of members of the fire insurance patrol, where said real and personal property is owned and held in the said pension fund as a part of the investments made pursuant to statute and used for the purposes aforesaid.

(9) All market houses, public squares and other public grounds owned by a municipal corporation and used exclusively for public purposes; all works, machinery and fixtures belonging exclusively to any town, village or city, used exclusively for conveying water to such town, village or city; all works, machinery and fixtures of drainage districts, when used exclusively for pumping water from the ditches and drains of such district for drainage purposes; provided that if at the time of the acquisition of property to be used for public airport purposes the city, village, township or school district in which said property is located is indebted for any amount for payment of which it provided for the collection of taxes, the property acquired for public airport purposes shall be subject to taxation for the payment of said indebtedness in the same proportion as said property bore to the taxable property in said city, village, township or school district immediately before the acquisition thereof, according to the last assessment for taxation.

(10) All property which may be used exclusively by societies for agricultural, horticultural, mechanical or philosophical purposes, and not for pecuniary profit.

(11) All property of military schools and academies, including buildings, equipment and lands, not exceeding ten acres in amount, used exclusively for school purposes and wherein military science

and instruction are made a part of the course of study and are regularly taught in such institution, and where there is detailed by the War Department¹ at Washington, D.C., an officer from the United States Army, as Professor of Military Science and Tactics, and the graduates of which are eligible to appointment as Brevet Second Lieutenants in the Illinois National Guard, or are eligible to appointment as Second Lieutenants in the Officers' Reserve Corps of the United States Army.

(12) All land of housing authorities created under "An Act in relation to Housing Authorities", approved March 19, 1934, as amended,² title to which land has been or shall be acquired from the United States Government or any agency or instrumentality thereof, and any buildings or improvements now or subsequently erected thereon, insofar as such land, buildings and improvements are used for low rent housing purposes, or as an incident thereto; but such land, buildings and improvements or portions thereof intended or used for stores or other commercial purposes shall not be exempt from taxation. Nothing herein shall be construed as exempting property of housing authorities or any part thereof from special assessments or special taxation for local improvements; and nothing herein contained shall be construed as limiting the power of any political subdivision of this State to sell or furnish a housing authority with water, electricity, gas, or other services and facilities under the same basis that such services and facilities may be rendered to others under similar circumstances.

(13) All property of every kind belonging to any municipal corporation created for the sole purpose of owning and operating a transportation system for public service.

(14) In any park district having a population of 500,000 or more inhabitants by the last preceding Federal Census, all property of said district lying within the territorial limits thereof; all property of any such park district located outside the territorial limits thereof when used for the purpose of a nursery, garden, or farm for the growing of shrubs, trees, flowers and plants for use in beautifying, maintaining and operating playgrounds, parks, parkways, public grounds, and buildings owned or controlled by such park district.

(15) Parking areas, not leased or used for profit, when used as a part of a use for which an exemption is provided hereinbefore and owned by any school district, non-profit hospital or school, or religious or charitable institution which meets the qualifications for exemption hereinabove in this section set forth. As amended by act approved July 13, 1955. L.1955, p. —, H.B.No. 719.

¹ Now department of the Army, see 10 U.S.C.A. § 2 et seq.

² Chapter 67½, § 1 et seq.

Amendment by Laws 1955, p.—, S.B. No. 608, see § 500, ante.

Amendment by Laws 1955, p.—, S.B. No. 105, see § 500, ante.

Section 2 of the amendatory Act of 1955 provided that: "The added exemption provided by the amendment made by Section 1 of this Act shall apply for the year 1955 to property which was within the provisions of the exemption on April 1, 1955, notwithstanding the enactment of this Act after April 1, 1955."

(§ 3. Severability.)

However, a Service Charge of five (5) per cent, unless a different amount has been agreed upon, of the shelter rentals from each project for the preceding calendar year after the same has become occupied either in whole or in part, shall be paid to local governmental agencies in lieu of taxes for the services supplied by them to said projects, the same to be distributed to such bodies in such proportions that each taxing body will receive the same proportion thereof as the tax rate of said body bears to the tax rate that would have been levied upon such projects if they were not exempt from taxation.

Section 27b. § 29.—"Housing Authorities Act", as amended, — Chapter 67½ — Housing and Redevelopment — Illinois Revised Statutes, 1955, State Bar Association Edition:—

27b. Payment of service charges to taxing bodies.) § 29. With respect to any housing project of a housing authority, the housing authority shall, after such project has become occupied, either in whole or in part, file with the proper assessing authority on or before April 1 of each year, a statement of the aggregate shelter rentals of each such project collected during the preceding calendar year; and, unless a different amount has been agreed upon between the housing authority and the city, village, incorporated town or county for which the housing authority was created, five (5) per cent of such aggregate shelter rentals shall be charged and collected as a service charge for the services and facilities to be furnished with respect to such project, in the manner provided by law for the assessment and collection of taxes, and the amount so collected shall be distributed to the several taxing bodies in such proportions that each taxing body will receive therefrom the same proportion as the tax rate of such taxing body bears to the total tax rate that would be levied against the project if it were not exempt from taxation. A city, village, incorporated town or county for which a housing authority has been created may agree with the housing authority with respect to any housing projects, either separately or jointly or one or more of them, for the payment of a service charge in an amount greater or less than five (5) per cent of the aggregate annual shelter rentals of any project, upon the basis of shelter rentals or upon such other basis as may be agreed upon, but not exceeding the amount which would be payable in taxes thereon were the property not exempt, and, if such an agreement is made, the amount so agreed upon shall be collected and distributed in the manner above provided. If such project or projects have become occupied or if the land upon which such project or projects are to be constructed has been acquired, such agreement shall specify definitely the location of the project or projects for which the agreement is made. Shelter rental shall mean the total rentals of a housing project as such project is defined in the twelfth subsection of section 19 of the Revenue Act of 1939, filed May 17, 1939, as heretofore or hereafter amended exclusive of any charge for utilities and special services such as heat, water, electricity and gas. The records of each housing project shall be open to inspection by the proper assessing officers. As amended by act approved July 11, 1955. L.1955, p. —, S.B.No. 359.

1 Chapter 120, § 2, repealed.

-B-

- Although Neighborhood Redevelopment Corporations, organized under the "Neighborhood Redevelopment Corporation Law", as amended, function in the Redemption of Slums and Blight or Conservation Areas, nevertheless they are subject to the same taxation, general and special, as to their assets, tangible and intangible, and as to their capital stock as is imposed by law upon the assets and capital stock of Corporations for profit organized pursuant to the laws of this State.

Section 265. § 15. - "Neighborhood Redevelopment Corporation Law", as amended, - Chapter 67½ - Housing and Re-

development - Illinois Revised Statutes, 1955, State Bar Association Edition:-

265. § 15. Taxation of Neighborhood Redevelopment Corporations.) Neighborhood Redevelopment Corporations organized under this Act¹, notwithstanding their function in the Redevelopment of Slum and Blight or Conservation Areas, shall be subject to the same taxation, general and special, as to their assets, tangible and intangible, and as to their capital stock, as is imposed by law upon the assets and capital stock of private corporations for profit organized pursuant to the laws of this State. As amended by act approved July 13, 1953. L.1953, p. 1138.

¹ Section 251 et seq of this chapter.

-C-

- All property of Public Building Commissions are exempt from taxation by the State or any taxing unit therein.

(1) Section 277 § 22 - "Public Building Commission Act" - Chapter 34 - Counties - Illinois Revised Statutes, 1955, State Bar Association Edition:-

277. Exemption from taxation.) § 22. All property of the Public Building Commission shall be exempt from taxation by the State or any taxing unit therein.

-D-

- The property of any Municipal Corporation created for the purpose of providing buildings, or space therein, and other facilities to or for the use of municipal corporations and other governmental agencies including any Public Building Commission created pursuant to the "Public Building Commission Act" enacted by the 69th General Assembly also is exempted by subparagraph 15 of Section 500 § 19 of the Revenue Act of 1939, as amended, by Act approved July 15, 1955. L.1955, p. —, S.B. 608.

Subparagraph 15 - Section 500. § 19 - Chapter 120 - Revenue - Illinois Revised Statutes, 1955, State Bar Association Edition:-

500. Property exempt from taxation.) § 19.

(15) All property of any municipal corporation created for the purpose of providing buildings or space therein, and other facilities to or for the use of municipal corporations and other governmental agencies, including, but without in any way limiting the generality of the foregoing any Public Building Commission created pursuant to the Public Building Commission Act enacted by the 69th General Assembly.³ As amended by act approved July 5, 1955. L.1955, p. —, No. 608.

³ Chapter 34, § 256-279

PLAN COMMISSION

BY CITIES AND VILLAGES

CHAPTER 24

"Revised Cities and Villages Act"

Illinois Revised Statutes, 1955, State Bar Association Edition
 Revised Cities and Villages Act, approved August 15, 1941, as
 amended, Article 53-Special Powers-Plan Commission
 Sections 53-1 § 53-1 to 53-3 § 53-3

ARTICLE 53. SPECIAL POWERS--PLAN COMMISSION

Sec.

53-1. Creation of plan commission--zoning commission may act as.

53-2. Powers of plan commission.

53-3. Maps and plats conform to plan.

53-1. § 53-1. Creation of plan commission--Zoning commission may act as. Every municipality has the power to provide for the creation of a plan commission. The plan commission shall consist of a chairman and such other members appointed in such manner and serving for such terms as the corporate authorities of the municipality may prescribe by ordinance, except that the mayor, or president, of the municipality, and the president of the board of local improvements shall be members ex-officio of the commission. If there is a zoning commission in a municipality at the time the municipality provides for the creation of a plan commission, the zoning commission, in the discretion of the corporate authorities, may be designated as the plan commission under this article. Any plan commission now existing and officially recognized by the corporate authorities in any municipality may exercise all the powers conferred upon plan commissions by this article as fully as if it had been created hereunder, but if any changes in the membership of that plan commission are necessary to bring it into conformity with this section, those changes shall be made.

53-2. § 53-2. Powers of plan commission. Every plan commission authorized by this Article has the power:

(1) To prepare and recommend to the corporate authorities a comprehensive plan of public improvements looking to the present and future development of the municipality. After its adoption by the corporate authorities, this plan shall be known as the official plan of that municipality. Thereafter from time to time the plan commission may recommend changes in the official plan. This plan may include reasonable requirements with reference to streets, alleys, and public grounds in unsubdivided land situated within the corporate limits or in contiguous territory not more than one and one-half miles beyond the corporate limits and not included in any municipality. These requirements shall be effective whenever this unsubdivided land is subdivided after the adoption of the official plan.

(2) In municipalities of more than 500,000 inhabitants or municipalities lying wholly or partly within a radius of 30 miles from the corporate limits of municipalities of more than 500,000

inhabitants to prepare and recommend to the corporate authorities a plan or plans for the development and redevelopment of the municipality and contiguous unincorporated territory not more than one and one-half miles beyond the corporate limits of the municipality and not included in any other municipality. The plan or plans when adopted by the corporate authorities shall be designated as the official plan, or part thereof, of that municipality. Such plan or plans may be adopted in whole or in separate geographical or functional parts, each of which, when adopted shall be the official plan, or part thereof, of that municipality. Thereafter, from time to time, the plan commission may recommend changes in the official plan or any part thereof. To provide for the health, safety, comfort and convenience of the inhabitants of the municipality and contiguous territory, such plan or plans may establish reasonable standards of design for subdivisions and for resubdivisions of unimproved land and of areas subject to redevelopment, including reasonable requirements for public streets, alleys, ways for public service facilities, parks, playgrounds, school grounds, and other public grounds.

(3) To prepare and recommend to the corporate authorities from time to time, plans for specific improvements in pursuance of the official plan.

(4) To give aid to the municipal officials charged with the direction of projects for improvements embraced within the official plan, to further the making of these projects, and generally to promote the realization of the official plan.

(5) To exercise such other powers, germane to the powers granted by this article, as may be conferred by the corporate authorities. As amended by act approved Aug. 4, 1949. L.1949, p. 456.

53-3. § 53-3. Maps and plats conform to plan. No map or plat of any subdivision presented for record, affecting land (1) within the corporate limits of any municipality which has adopted heretofore or shall adopt hereafter an official plan in the manner prescribed in this article, or (2) within contiguous territory which is not more than one and one-half miles beyond the corporate limits of an adopting municipality, and not included in any municipality, shall be entitled to record or shall be valid unless the subdivision shown thereon provides for streets, alleys, and public grounds in conformity with the applicable requirements of the official plan.

ZONING BY CITIES AND VILLAGES
CHAPTER 24

"Revised Cities and Villages Act"

Illinois Revised Statutes, 1955, State Bar Association Edition
Revised Cities and Villages Act, approved August 15, 1941, as
amended, Article 73-Special Power-Zoning
Sections 73-1 § 73-1 to 73-11 § 73-11

This section is subject to the provisions of the General Revenue
Law of Illinois. As amended by act approved July 21, 1947.
L.1947, p. 610.

ARTICLE 73. SPECIAL POWERS—ZONING

Sec.

- 73-1. Objectives of article—classification, regulation and location of uses, structures—elimination of non-conforming uses, etc.
- 73-2. Zoning commission—zoning ordinance.
- 73-3. Enforcement officers—board of appeals.
- 73-4. Variations—rules—review—hearing.
- 73-5. Appeals to board of appeals.
- 73-6. Repealed.
- 73-6.01 Review.
- 73-7. Repealed.
- 73-8. Amendments of regulations and districts—protests.
- 73-9. Proceedings to prevent violation.
- 73-10. Existing zoning ordinances, regulations, and acts thereunder.
- 73-11. Additional powers—substandard structures—eminent domain.

73-1. § 73-1. Objectives of article—Classification, regulation and location of uses, structures—Elimination of non-conforming uses, etc.) To the end that adequate light, pure air, and safety from fire and other dangers may be secured; that the taxable value of land and buildings throughout the municipality may be conserved, that congestion in the public streets may be lessened or avoided, and that the public health, safety, comfort, morals, and welfare may otherwise be promoted, the corporate authorities in each municipality have the following powers:

(1) To regulate and limit the height and bulk of buildings hereafter to be erected; (2) to establish, regulate and limit the building or set-back lines on or along any street, traffic-way, drive or parkway; (3) to regulate and limit the intensity of the use of lot areas, and to regulate and determine the area of open spaces, within and surrounding such buildings; (4) to classify, regulate and restrict the location of trades and industries and the location of buildings designed for specified industrial, business, residential, and other uses; (5) to divide the entire municipality into districts of such number, shape, area, and of such different classes (according to use of land and buildings, height and bulk of buildings, intensity of the use of lot area, area of open spaces, or other classification) as may be deemed best suited to carry out the purposes of this article; (6) to fix standards to which buildings or structures therein shall conform; (7) to prohibit uses, buildings, or structures incompatible with the character of such districts; and (8) to prevent additions to and alteration or remodeling of existing buildings or structures in such a way as to avoid the restrictions and limitations lawfully imposed under this article.

In all ordinances passed under the authority of this article, due allowance shall be made for existing conditions, the conservation of property values, the direction of building development to the best advantage of the entire municipality and the uses to which the property is devoted at the time of the enactment of such an ordinance. The powers conferred by this article shall not be exercised so as to deprive the owner of any existing property of its use or maintenance for the purpose to which it is then lawfully devoted, but provisions may be made for the gradual elimination of uses, buildings and structures which are incompatible with the character of the districts in which they are made or located, including, without being limited thereto, provisions (a) for the elimination of such uses of unimproved lands or lot areas when the existing rights of the persons in possession thereof are terminated or when the uses to which they are devoted are discontinued; (b) for the elimination of uses to which such buildings and struc-

tures are devoted, if they are adaptable for permitted uses; and (c) for the elimination of such buildings and structures when they are destroyed or damaged in major part, or when they have reached the age fixed by the corporate authorities of the municipality as the normal useful life of such buildings or structures. As amended by act approved July 24, 1943. L.1943, vol. 1, p. 320.

Validity. Neef v. City of Springfield, 380-275, 43 N.E.2d 947.

73-2. § 73-2. Zoning commission—Zoning ordinance.) The corporate authorities in each municipality which desires to exercise the powers conferred by this article shall provide for a zoning commission with the duty to recommend the boundaries of districts and appropriate regulations to be enforced therein. The commission shall be appointed by the mayor or president, subject to confirmation by the corporate authorities. The commission shall prepare a tentative report and a proposed zoning ordinance for the entire municipality. After the preparation of such a tentative report and ordinance, the commission shall hold a hearing thereon and shall afford persons interested an opportunity to be heard. Notice of the hearing shall be published at least once, not more than 30 nor less than 15 days before the hearing, in one or more newspapers published in the municipality, or, if no newspaper is published therein, then in one or more newspapers with a general circulation within the municipality; except that, in municipalities with less than 500 population in which no newspaper is published, publication may be made by posting a notice in three prominent places within the municipality. The notice shall state the time and place of the hearing and the place where copies of the proposed ordinance will be accessible for examination by interested persons. The hearing may be adjourned from time to time.

Within thirty days after the final adjournment of the hearing the commission shall make a final report and submit a proposed ordinance for the entire municipality to the corporate authorities. The corporate authorities may enact the ordinance with or without change, or may refer it back to the commission for further consideration. The zoning commission shall cease to exist upon the adoption of a zoning ordinance for the entire municipality. As amended by act approved July 21, 1947. L.1947, p. 542.

Validity. Anderman v. City of Chicago, 379-236, 40 N.E.2d 51.

73-3. § 73-3. Enforcement officers—Board of appeals.) All ordinances passed under the terms of this article shall be enforced by such officers of the municipality as may be designated by ordinance.

(A) In municipalities having a population of more than 500,000 the city council may provide for the appointment of a board of appeals consisting of five members to serve respectively for the following terms: One for one year, one for two years, one for three years, one for four years and one for five years, the successor to each member so appointed to serve for a term of five years.

(B) The city council in cities and the president and board of trustees in villages and incorporated towns, having a population of less than 500,000 may provide for the appointment of a board of appeals consisting of seven members to serve respectively for the following terms: One for one year, one for two years, one for three years, one for four years, one for five years, one for six years, and one for seven years, the successor to each member so

appointed to serve for a term of five years. The term of office of each member of a zoning board of appeals holding office on the effective date of this amendatory Act is abolished, but the incumbents shall continue to exercise all the powers and be subject to all the duties of members until new members are appointed and qualified.

(C) In all municipalities, one of the members so appointed shall be named as chairman at the time of his appointment. The appointing authority has the power to remove any member of the board for cause and after public hearing. Vacancies shall be filled for the unexpired term of the member whose place has become vacant. All meetings of the board of appeals shall be held at the call of the chairman and at such other times as the board may determine. The chairman, or in his absence the acting chairman, may administer oaths and compel the attendance of witnesses. All meetings of the board shall be open to the public. The board shall keep minutes of its proceedings, showing the vote of each member upon every question, or if absent or failing to vote, indicating that fact, and shall also keep records of its examinations and other official actions. Every rule, regulation, every amendment or repeal thereof, and every order, requirement, decision, or determination of the board shall immediately be filed in the office of the board and shall be a public record.

(D) In all municipalities the board of appeals shall hear and decide appeals from and review any order, requirement, decision, or determination made by an administrative official charged with the enforcement of any ordinance adopted pursuant to this article.

(E) In all municipalities it shall also hear and decide all matters referred to it or upon which it is required to pass under such an ordinance. The concurring vote of four members of the board is necessary to reverse any order, requirement, decision, or determination of such an administrative official, or to decide in favor of the applicant any matter upon which it is required to pass under such an ordinance or to effect any variation in the ordinance, or to recommend any variation or modification in the ordinance to the corporate authorities. As amended by act approved July 15, 1953. L.1953, p. 1503.

1 Section 73-1 et seq. of this chapter.

73-4. § 73-4. Enforcement officers—Board of Appeals.¹⁾

(a) In municipalities of 500,000 or more population, the regulations authorized by this Article may be varied in their application only by the board of appeals of the municipality subject to the power of the corporate authorities to prohibit, in whole or in part, the granting of variations in respect to the classification, regulation and restriction of the location of trades and industries and the location of buildings designed for specified industrial, business, residential and other uses. Variations shall be permitted by the board of appeals only when they are in harmony with the general purpose and intent of the regulations and only in cases where there are practical difficulties or particular hardship in the way of carrying out the strict letter of any of those regulations relating to the use, construction, or alteration of buildings or structures or the use of land. In its consideration of the standards of practical difficulties or particular hardship, the board of appeals shall require evidence that (1) the property in question cannot yield a reasonable return if permitted to be used only under the conditions allowed by the regulations in that zone; and (2) the plight of the owner is due to unique circumstances; and (3) the variation, if granted, will not alter the essential character of the locality. A variation shall be permitted only if the evidence, in the judgment of the board of appeals, sustains each of the three conditions enumerated. The corporate authorities may provide general or specific rules implementing, but not inconsistent with, the rules herein provided to govern determinations of the board of appeals. A decision of the board of appeals shall not be subject to review, reversal or modification by the corporate authorities but shall be judicially reviewable under the provisions of Section 73-6.01.

(b) In municipalities of less than 500,000 population, the regulations authorized by this Article may provide that the board of appeals or corporate authorities may determine and vary their application in harmony with their general purpose and intent

and in accordance with general or specific rules therein contained in cases where there are practical difficulties or particular hardship in the way of carrying out the strict letter of any of those regulations relating to the use, construction, or alteration of buildings or structures or the use of land. If the authority to determine and approve variations is vested in the board of appeals it shall be exercised in accordance with the conditions prescribed in paragraph (a) of this Section, subject to the power of the corporate authorities to prohibit, in whole or in part, the granting of variations in respect to the classification, regulation and restriction of the location of trades and industries and the location of buildings designed for specified industrial, business, residential and other uses. If the power to determine and approve variations is reserved to the corporate authorities, it shall be exercised only by the adoption of ordinances. However, no such variation shall be made by the corporate authorities as specified without a hearing before the board of appeals.

(c) No variation shall be made by the board of appeals in municipalities of 500,000 or more population or by ordinance in municipalities of lesser population except in a specific case and after a public hearing before the board of appeals of which there shall be a notice of the time and place of the hearing published at least once, not more than 30 nor less than 15 days before the hearing, in one or more newspapers published in the municipality, or, if no newspaper is published therein, then in one or more newspapers with a general circulation within the municipality; except that in municipalities with less than 500 population in which no newspaper is published, publication may be had by posting a notice in three prominent places within the municipality. This notice shall contain the particular location for which the variation is requested as well as a brief statement of what the proposed variation consists.

(d) In municipalities of less than 500,000 population, where a variation is to be made by ordinance, upon the report of the board of appeals, the corporate authorities, by ordinance, without further public hearing, may adopt any proposed variation or may refer it back to the board for further consideration, and any proposed variation which fails to receive the approval of the board of appeals shall not be passed except by the favorable vote of two-thirds of all aldermen or trustees of the municipality.

(e) Every variation, whether made by the board of appeals directly, or by an ordinance after a hearing before the board of appeals, shall be accompanied by findings of facts specifying the reason or reasons for making the variation.

The provisions of this amendatory act of 1955 shall not affect the validity of any variations approved by the corporate authorities or by a board of appeals and in force prior to its effective date. As amended by act approved June 30, 1955. L.1955, p. —, S.B.No. 328.

1 Section heading appearing above was enacted as part of the section. It should read "Variations—Rules—Review—Hearing"

73-5. § 73-5. Appeals to board of appeals.) An appeal to the board of appeals may be taken by any person aggrieved or by any officer, department, board, or bureau of the municipality. The appeal shall be taken within such time as shall be prescribed by the board of appeals by a general rule by filing with the officer from whom the appeal is taken and with the board of appeals a notice of appeal, specifying the grounds thereof. The officer from whom the appeal is taken shall forthwith transmit to the board all the papers constituting the record upon which the action appealed from was taken.

An appeal stays all proceedings in furtherance of the action appealed from, unless the officer from whom the appeal is taken certifies to the board of appeals, after the notice of appeal has been filed with him, that by reason of facts stated in the certificate a stay would, in his opinion, cause imminent peril to life or property. In this event the proceedings shall not be stayed otherwise than by a restraining order which may be granted by the board of appeals or by a court of record on application and on notice to the officer from whom the appeal is taken, and on due cause shown.

The board of appeals shall fix a reasonable time for the hearing of the appeal and give due notice thereof to the parties and

decide the appeal within a reasonable time. Upon the hearing, any party may appear in person or by agent or by attorney. The board of appeals may reverse or affirm, wholly or partly, or may modify the order, requirement, decision, or determination as in its opinion ought to be made in the premises and to that end has all the powers of the officer from whom the appeal is taken.

73-6. § 73-6. Repealed by act approved July 30, 1949. L.1949, p. 568.

73-6.01. Review.) § 73-6.01. All final administrative decisions of the board of appeals under this Article shall be subject to judicial review pursuant to the provisions of the "Administrative Review Act", approved May 8, 1945,¹ and all amendments and modifications thereof, and the rules adopted pursuant thereto. The term "administrative decision" is defined as in Section 1 of the "Administrative Review Act."² Added by act approved July 30, 1949. L.1949, p. 568.

¹ Chapter 110, § 264 et seq.

² Chapter 110, § 264.

Section 3 of the Act of 1949 provided that such Act should apply only to judicial review proceedings instituted on or after that date.

73-7. § 73-7. Repealed by act approved July 30, 1949. L.1949, p. 568.

73-8. § 73-8. Amendments of regulations and districts—Protests.) The regulations imposed and the districts created under the authority of this article may be amended from time to time by ordinance after the ordinance establishing them has gone into effect, but no such amendments shall be made without a hearing before some commission or committee designated by the corporate authorities. Notice shall be given of the time and place of the hearing, not more than 30 nor less than 15 days before the hearing, by publishing a notice thereof at least once in one or more newspapers published in the municipality, or, if no newspaper is published therein, then in one or more newspapers with a general circulation within the municipality; except that, in municipalities with less than 500 population in which no newspaper is published, publication may be made by posting a notice in three prominent places within the municipality. In case of a written protest against any proposed amendment of the regulations or districts, signed and acknowledged by the owners of twenty per cent of the frontage proposed to be altered, or by the owners of twenty per cent of the frontage immediately adjoining or across an alley therefrom, or by the owners of twenty per cent of the frontage directly opposite the frontage proposed to be altered, is filed with the clerk of the municipality, the amendment shall not be passed except by a favorable vote of two-thirds of all of the aldermen or trustees of the municipality. As amended by act approved July 21, 1947. L.1947, p. 542.

73-9. § 73-9. Proceedings to prevent violation.) In case any building or structure is constructed, reconstructed, altered, repaired, converted, or maintained, or any building, structure, or land is used in violation of this article,¹ or of any ordinance or other regulation made under the authority conferred thereby, the proper local authorities of the municipality, or any owner or tenant of real property in the same contiguous zoning district as the building or structure in question, in addition to other remedies, may institute any appropriate action or proceeding (1) to prevent

the unlawful construction, reconstruction, alteration, repair, conversion, maintenance, or use, (2) to prevent the occupancy of the building, structure, or land, (3) to prevent any illegal act, conduct business, or use in or about the premises, or (4) to restrain, correct, or abate the violation. When any such action is instituted by an owner or tenant, notice of such action shall be served upon the municipality at the time suit is begun, by serving a copy of the complaint on the chief executive officer of the municipality, no such action may be maintained until such notice has been given.

In any action or proceeding for a purpose mentioned in this section, the court with jurisdiction of such action or proceeding has the power and in its discretion may issue a restraining order, or a preliminary injunction, as well as a permanent injunction, upon such terms and under such conditions as will do justice and enforce the purposes of this article.

If a permanent injunction is decreed in any action or proceeding for a purpose mentioned in this section, the court in its decree may, in its discretion, allow the plaintiff a reasonable sum of money for the services of the plaintiff's attorney. This allowance shall be a part of the costs of the litigation assessed against the defendant, and may be recovered as such. As amended by act approved June 24, 1953. L.1953, p. 431.

¹ Section 73-1 et seq. of this chapter.

(§ 2. Emergency.)

73-10. § 73-10. Existing zoning ordinances, regulations, and acts thereunder.) All zoning ordinances and regulations heretofore adopted by any municipality pursuant to the provisions of "An Act to confer certain additional powers upon city councils in cities and presidents and boards of trustees in villages and incorporated towns concerning buildings and structures, the intensity of use of lot areas, the classification of trades, industries, buildings, and structures, with respect to location and regulation, the creation of districts of different classes, the establishment of regulations and restrictions applicable thereto, the establishment of boards of appeals and the review of the decisions of such boards by the court", approved June 28, 1921, as amended,¹ and all committees, commissions, boards, and officers designated or appointed by any municipality pursuant to the provisions of that Act, or pursuant to the provisions of any ordinance or regulations adopted under that Act, shall be recognized, considered, and treated as having been properly adopted, designated, established, or appointed under this Article.

¹ Sections 66-70 of this chapter, repealed.

73-11. § 73-11. Additional Powers—Substandard Structures—Eminent Domain.) In addition to all rights and powers conferred by this Article the corporate authorities in each municipality have power to acquire by purchase, condemnation or otherwise any buildings or structures which do not conform to the standards fixed by the corporate authorities pursuant to Section 73-1, and all land which is necessary or appropriate for the rehabilitation or redevelopment of any area blighted by substandard buildings or structures; to remove or demolish all substandard buildings and structures so acquired; to hold and use any remaining property for public purposes; and to sell, lease or exchange such property as is not required for public purposes, subject to the provisions of the existing zoning ordinance. Added by act approved May 3, 1945. L.1945, p. 485.

XV
REGIONAL PLANNING
BUILDING OR SET-BACK LINES
ZONING

By County Boards

CHAPTER 34

Counties

Illinois Revised Statutes, 1955, State Bar Association Edition
(1) Sections 152a § 1 to 152d § 4 - Regional Planning
(2) Sections 152e § 1 to 152h § 4 - Building or Set-Back Lines
(3) Sections 152i § 1 to 153, 154 - Zoning

I
REGIONAL PLANNING
Act of June 25, 1929

- § 152a. Commission to prepare plan.
- § 152b. Expenses of commission.
- § 152c. Joint commission for region in more than one county.
- § 152d. Members to receive no pay - plan to be advisory.

AN ACT to provide for regional planning and for the creation, organization and powers of regional planning commissions. (Approved June 25, 1929. L. 1929, p. 308.)

Be it enacted by the People of the State of Illinois, represented in the General Assembly:

152a. Commission to prepare plan.) § 1. Whenever in the judgment of the county board of any county, a portion of all of said county as a region, should have a plan made for the general purpose of guiding and accomplishing a co-ordinated, adjusted and harmonious development of said region, and of public improvements and utilities therein, and which plans will in the judgment of the county board, in accordance with the present and future needs of the region and of the State, best promote health, safety, morals, order, convenience, prosperity, efficiency and economy in the process of development and the general welfare of said region, the county board is hereby empowered by resolution of record to define the boundaries of such region and to create a regional planning commission for the making of a regional plan for such region so defined. The number of members of such commission, their method of appointment, and their power and authority in the making of such plan, shall be such as the county board may deem proper and not in conflict with law. Said Commission shall be a fact finding body and shall make such investigations and gather such statistics as it shall deem necessary for the planning and development of said region, and shall make a plan of said region to include all matter which it may deem necessary for the development of the region as provided above.

152b. Expenses of commission.) § 2. The county board is hereby authorized to appropriate to said planning commission from any funds under its control and not otherwise appropriated, such sum as the county board may deem proper for said work as above, and within the amounts so appropriated, said regional planning commission shall have the authority to employ such assistance and do such other things as it may deem necessary to carry out the purposes of this Act.

152c. Joint commission for region in more than one county.) § 3. If such region is situated in more than one county, the county boards of said counties are hereby empowered to cooperate in defining the boundaries of said region, and in the creation and organization of one regional planning commission for such region so mutually defined, and are also hereby authorized to appropriate from their funds for the use of said regional planning commission, in the amounts as may mutually be agreed upon by said county boards.

152d. Members to receive no pay - Plan to be advisory.)
§ 4. The members of the regional planning commission appointed as above shall serve without pay, and all plans of the region made by said commission shall be advisory only, unless said plan or portion of it may affect any city, village or incorporated town in which there is a planning commission, and in case said regional plan for such city, village or incorporated town is adopted by the city, village or incorporated town planning commission, said regional plan or such part of which as may be adopted shall have such force and effect as by law may be provided.

II
BUILDING OR SET-BACK LINES
Act of July 5, 1933

- § 152e. County may establish building or set-back lines.
- § 152f. Enforcing officer.
- § 152g. Amendments to regulations.
- § 152h. Proceedings to restrain violation.

AN ACT to authorize and empower county boards to establish building or set-back lines on or along any road, street, traffic-way, drive or parkway outside the corporate limits of cities, villages and incorporated towns. (Approved July 5, 1933. L. 1933, p. 421.)

Be it enacted by the People of the State of Illinois, represented in the General Assembly:

152e. County may establish building or set-back lines.)
§ 1. In addition to the existing power and to the end that adequate safety may be secured and the congestion of public roads, streets, traffic-ways, drives and parkways may be lessened or avoided, the county board of each county is authorized and empowered to establish, regulate and limit the building or set-back lines on or along any road, street, traffic-way, drive or parkway in the county outside the corporate limits of any city, village or incorporated town, as may be deemed best suited to carry out the provisions of this Act. The powers given by this Act shall not be exercised so as to deprive the owner of any existing property of its use or maintenance for the purpose to which it is then lawfully devoted.

152f. Enforcing officer.) § 2. All resolutions passed under the terms of this Act shall be enforced by such officer of the county as may designated by resolution.

152g. Amendments to regulations.) § 3. The regulations imposed under the authority of this Act may be amended from time to time by resolution after the resolution establishing the same has gone into effect, but no such amendments shall be made without a hearing before some committee designated by the county board. At least fifteen days notice of the time and place of such hearing shall be published in an official newspaper, or a newspaper of general circulation, in such county. Such amendment shall not be passed except by a favorable vote of two-thirds of all the members of the county board.

152h. Proceedings to restrain violation.) § 4. In case any building or structure is erected or constructed in violation of this Act, or any resolution or other regulation made under the authority conferred thereby, the proper authorities of the county, in addition to other remedies, may institute any appropriate action or proceedings to prevent such unlawful erection or construction to restrain, correct or abate such violation, to prevent the occupancy of said building or structure or to prevent any illegal act, conduct, business or use in or about such premises.

III
ZONING
Act of June 28, 1935

- 152 i. Counties may regulate and restrict location and use of structures.
- 152 j. Zoning commission—ordinance or resolution—hearing—land adjacent to municipality.
- 152k. Enforcement of ordinances or resolutions—permissible requirements.
- 152k.1 Variation by board of appeals—variation by ordinance or resolution.
- 152k.2 Board of appeals.
- 152k.3 Hearing and decision of appeals—appeals, taking of—effect of appeal.
- 152k.4 Time for hearing of appeal—appearance—disposition—judicial review.
- 152 l. Repealed.
- 152m. Amendment of regulations and districts.
- 152n. Cooperation with other counties and municipal corporations.
- 152o. Proceedings to restrain and prevent violations—penalty.
- 153, 154. Repealed.

ZONING

AN ACT in relation to county zoning. (Approved June 28, 1935. L. 1935, p. 689.)

Be it enacted by the People of the State of Illinois, represented in the General Assembly:

152i. Counties may regulate and restrict location and use of structures.) § 1. For the purpose of promoting the public health, safety, morals, comfort and general welfare, conserving the values of property throughout the county, and lessening or avoiding congestion in the public streets and highways, the board of supervisors or board of county commissioners, as the case may be, of each county, shall have the power to regulate and restrict the location and use of buildings, structures and land for trade, industry, residence and other uses which may be specified by such board, to regulate and restrict the intensity of such uses, and to establish building or setback lines outside the limits of cities, villages and incorporated towns; to divide the entire county outside the limits of such cities, villages and incorporated towns into districts of such number, shape, area and of such different classes, according to the use of land and buildings, and the intensity of such use, as may be deemed best suited to carry out the purposes of this Act; to prohibit uses, buildings or structures incompatible with the character of such districts respectively; and to prevent additions to and alteration or remodeling of existing buildings or structures in such a way as to avoid the restrictions and limitations lawfully imposed hereunder: Provided, that permits with respect to the erection, maintenance, repair, alteration, remodeling or extension of buildings or structures used or to be used for agricultural purposes shall be issued free of any charge. In all ordinances or resolutions passed under the authority of this Act, due allowance shall be made for existing conditions, the conservation of property values, the directions of building development to the best advantage of the entire county, and the uses to which property is devoted at the time of the enactment of any such ordinance or resolution.

The powers by this Act given shall not be exercised so as to deprive the owner of any existing property of its use or maintenance for the purpose to which it is then lawfully devoted; nor

shall they be exercised so as to impose regulations or require permits with respect to land used or to be used for agricultural purposes, or with respect to the erection, maintenance, repair, alteration, remodeling or extension of buildings or structures used or to be used for agricultural purposes upon such land except that such buildings or structures for agricultural purposes may be required to conform to building or set back lines; nor shall any such powers include the right to specify or regulate the type or location of any poles, towers, wires, cables, conduits, vaults, laterals or any other similar distributing equipment of a public utility as defined in an Act entitled "An Act concerning Public Utilities."¹

Nothing in this act shall be construed to restrict the powers granted by statute to cities, villages and incorporated towns as to territory contiguous to but outside of the limits of such cities, villages and incorporated towns. The powers granted to counties by this act shall be treated as in addition to powers conferred by statute to control or approve maps, plats or subdivisions. As amended by act approved July 7, 1955. L. 1955, p.—, S.B. No. 429.

¹ Chapter 111-2/3, 1 et seq.

152j. Zoning commission—Ordinance or resolution—Hearing—Land adjacent to municipality.) § 2. The county board in counties which desire to exercise the powers conferred by this Act, shall provide for a zoning commission of not less than three nor more than nine members whose duty it shall be to recommend the boundaries of districts and appropriate regulations to be enforced therein, such commission to be appointed by the chairman or president of the county board, subject to confirmation by the county board. Such commission shall prepare a tentative report and a proposed zoning ordinance or resolution for the entire county outside the limits of cities, villages and incorporated towns. After the preparation of such tentative report and ordinance or resolution, the commission shall hold hearings thereon and shall afford persons interested in opportunity to be heard. A hearing shall be held in each township or road district affected by the terms of such proposed ordinance or resolution. Notice of each hearing shall be published at least fifteen (15) days in advance thereof in a newspaper of general circulation in such county, and notice of any hearing in a township or road district shall be posted at least fifteen (15) days in advance thereof in four conspicuous places within such township in counties under township organization and within such road district in counties not under township organization. Such notice shall state the time and place of the hearing and the place where copies of the proposed ordinance or resolution will be accessible for examination by interested parties. Such hearings may be adjourned from time to time.

Within thirty (30) days after the final adjournment of such hearings the commission shall make a final report and submit a proposed ordinance or resolution to the county board. The county board may enact the ordinance or resolution with or without change, or may refer it back to the commission for further consideration. In case a written protest against the proposed zoning of any land lying within one mile and one-half of the limits of any municipality having a zoning ordinance is received from the city council or president and board of trustees of the zoned municipality with limits nearest adjacent, the county board shall not enact the proposed zoning of such land except by a three-fourths vote of all members. The zoning commission shall cease to exist, upon the adoption of a zoning ordinance or resolution for such county.

In the preparation of its report and proposed zoning ordinance or resolution the commission may incur such expenditures as shall be authorized by the county board.

152k. Enforcement of ordinances or resolutions—Permissible requirements.) § 3. All ordinances or resolutions passed under the terms of this Act¹ shall be enforced by such officer of the county as may be designated by ordinance or resolution. The ordinance or resolution may require that for any class or classes of districts created thereby, applications be made for permits to

erect buildings or structures, or to alter or remodel existing buildings or structures, and may vest in the officer designated to enforce the ordinance or resolution, the power to make orders, requirements, decisions and determinations with respect to applications for such permits and with respect to the enforcement of the terms of the ordinance or resolution. As amended by act approved June 21, 1951. L.1951, § 366.

¹ Section 152i et seq. of this chapter.

152k.1. Variation by board of appeals--Variation by ordinance or resolution.) § 3.1. The regulations by this Act¹ authorized may provide that a board of appeals may determine and vary their application in harmony with their general purpose and intent and in accordance with general or specific rules therein contained in cases where there are practical difficulties or particular hardship in the way of carrying out the strict letter of any of such regulations relating to the use, construction or alteration of buildings or structures or the use of land; or the regulations by this Act authorized may provide that the county board may, by ordinance or resolution determine and vary their application in harmony with their general purpose and intent and in accordance with general or specific rules therein contained in cases where there are practical difficulties or particular hardship in the way of carrying out the strict letter of any such regulations relating to the use, construction or alteration of buildings or structures or the use of land; provided, however, that no such variation shall be made by such county board without a hearing before the board of appeals. No variation shall be made by ordinance, resolution or otherwise except in a specific case and after a public hearing before a board of appeals of which there shall be at least 15 days notice of the time and place of such hearing published in a newspaper of general circulation in such county, said notice to contain the particular location for which the variation is requested as well as a brief statement of what the proposed variation consists.

Where a variation is to be made by ordinance or resolution, upon the report of the board of appeals such county board may by ordinance or resolution without further public hearing adopt any proposed variation or may refer it back to the board of appeals for further consideration and any proposed variation which fails to receive the approval of the board of appeals shall not be passed except by the favorable vote of three-fourths of all the members of the county board. Every such variation, whether made by the board of appeals directly or by ordinance or resolution after a hearing before a board of appeals shall be accompanied by a finding of fact specifying the reason for making such variation. Added by act approved June 21, 1951. L.1951, p. 366.

¹ Section 152i et seq. of this chapter

152k.2. Board of appeals.) § 3.2. The county board shall provide for the appointment of a board of appeals consisting of five members to serve respectively for the following terms: One for one year, one for two years, one for three years, one for four years and one five years, the successor to each member so appointed to serve for a term of five years. One of the members so appointed shall be named as chairman at the time of his appointment, and in case of vacancy the appointing power shall designate a chairman. After this amendatory Act of 1951¹ takes effect, no person who resides in any congressional township wherein an incumbent member of the board of appeals resides may be appointed a member of the same board of appeals to serve during any part of the term of office during which such incumbent member residing in said township continues to serve, and all members of a board of appeals thereafter created shall be residents of separate congressional townships at the time of their appointments, excepting that in counties containing less than five congressional townships such limitation shall not be applicable. The appointing authority shall have the power to remove any member of the board for cause, after public hearing. Vacancies shall be filled by the appointing authority for the unexpired term of any member whose place has become vacant. All meetings of the board of appeals shall be held at the call of the chairman and at such times and places within the county as such board may determine. Such chairman, or in his absence the acting chairman, may

administer oaths and compel the attendance of witnesses. All meetings of such board shall be open to the public. Such board shall keep minutes of its proceedings, showing the vote of each member upon every question, or if absent or failing to vote, indicating such fact, and shall also keep records of its examinations and other official actions. Every rule, regulation, every amendment or repeal thereof, and every order, requirement, decision or determination of the board shall immediately be filed in the office of the board and shall be a public record. In the performance of its duties the board of appeals may incur such expenditures as shall be authorized by the county board. Added by act approved June 21, 1951. L.1951, p. 366.

¹ Sections 152k to 152k.4 of this chapter.

152k.3. Hearing and decision of appeals--Appeals, taking of--Effect of appeal.) § 3.3. The board of appeals shall also hear and decide appeals from and review any order, requirement, decision or determination made by an administrative official charged with the enforcement of any ordinance or resolution adopted pursuant to this Act.¹

It shall also hear and decide all matters referred to it or upon which it is required to pass under any such ordinance or resolution or under the terms of this Act. The concurring vote of four members of the board shall be necessary to reverse any order, requirement, decision or determination of any such administrative official or to decide in favor of the applicant any matter upon which it is required to pass under any such ordinance or resolution, or to effect any variation in such ordinance or resolution, or to recommend any variation or modification in such ordinance or resolution to the county board. An appeal may be taken by any person aggrieved or by any officer, department, board or bureau of the county. Such appeal shall be taken within such time as shall be prescribed by the board of appeals by general rule by filing with the officer from whom the appeal is taken and with the board of appeals a notice of appeal, specifying the grounds thereof. The officer from whom the appeal is taken shall forthwith transmit to the board all the papers constituting the record upon which the action appealed from was taken.

An appeal stays all proceedings in furtherance of the action appealed from, unless the officer from whom the appeal is taken certifies to the board of appeals after the notice of appeal has been filed with him that by reasons of facts stated in the certificate a stay would, in his opinion, cause imminent peril to life or property, in which case proceedings shall not be stayed otherwise than by a restraining order which may be granted by the board of appeals or by a court of record on application, on notice to the officer from whom the appeal is taken and on due cause shown. Added by act approved June 21, 1951. L.1951, p. 366.

¹ Section 152i et seq. of this chapter.

152k.4. Time for hearing of appeal--Appearance--Disposition--Judicial review.) § 3.4. The board of appeals shall fix a reasonable time for the hearing of the appeal and give due notice thereof to the parties and decide the same within a reasonable time. Upon the hearing, any party may appear in person or by agent, or by attorney. The board of appeals may reverse or affirm, wholly or partly, or may modify the order, requirement, decision or determination as in its opinion ought to be made in the premises, and to that end shall have all the powers of the officer from whom the appeal is taken.

All final administrative decisions of the board of appeals hereunder shall be subject to judicial review pursuant to the provisions of the "Administrative Review Act", approved May 8, 1945,¹ and all amendments and modifications thereof, and the rules adopted pursuant thereto. The term "administrative decision" is defined as in Section 1 of the "Administrative Review Act".² Added by act approved June 21, 1951. L.1951, p. 366.

¹ Chapter 110, § 264 et seq.

² Chapter 110, § 264.

152l. § 4. Repealed by act approved July 30, 1949. L.1949, p. 891.

152m. Amendment of regulations and districts.) § 5. The regulations imposed and the districts created under the authority

of this Act¹ may be amended from time to time by ordinance or resolution, after the ordinance or resolution establishing same has gone into effect, but no such amendments shall be made without a hearing before the board of appeals. At least fifteen days notice of the time and place of such hearing shall be published in an official paper or a paper of general circulation in such county, and a hearing shall be held in each township or road district affected by the terms of such proposed amendment, except that for the consideration of general amendments to a County zoning ordinance, hearings may be held in the County Court House instead of in each township or road district. In case of written protest against any proposed amendment, signed and acknowledged by the owners of twenty percent of the frontage proposed to be altered, or by the owners of twenty percent of the frontage immediately adjoining or across an alley therefrom, or by the owners of twenty percent of the frontage directly opposite the frontage proposed to be altered, or in cases where the land affected lies within one mile and one-half of the limits of a zoned municipality, by the city council or president and board of trustees of the zoned municipality with limits nearest adjacent, filed with the county clerk, such amendment shall not be passed except by the favorable vote of three-fourths of all the members of the county board. As amended by act approved July 6, 1953. L.1953, p. 857.

¹ Section 152i et seq. of this chapter.

152n. Co-operation with other counties and municipal corporations.) § 6. In the exercise of powers conferred by this Act the county board of any county shall have authority to co-

operate with other counties, with cities, villages or other municipal corporations either within or without such county, and with municipal or state authorities, and to appoint such committee or committees as it may think proper to effect such cooperation.

152o. Proceedings to restrain and prevent violations--Penalty.)

§ 7. In case any building or structure is erected, constructed, reconstructed, altered, repaired, converted or maintained or any building, structure or land is used in violation of this Act¹ or of any ordinance, resolution or other regulation made under authority conferred thereby, the proper authorities of the county, or any person the value or use of whose property is or may be affected by such violation, in addition to other remedies, may institute any appropriate action or proceedings in equity to prevent such unlawful erection, construction, reconstruction, alteration, repair, conversion, maintenance or use, to restrain, correct, or abate such violation, to prevent the occupancy of said building, structure or land or to prevent any illegal act, conduct, business, or use in or about such premises.

The violation of the terms of any ordinance adopted under the authority of this Act shall be deemed a misdemeanor and shall be punishable by a fine not exceeding \$200 or imprisonment not exceeding six months, or both in the discretion of the court. As amended by act approved Aug. 1, 1949. L.1949, p. 692.

¹ Section 152i et seq. of this chapter.

§ 153, 154. (L.1911, p. 243.) Repealed by Act filed July 13, 1939. L.1939, p. 1167; Act filed July 13, 1939. L.1939, p. 1175.

SUBDIVISIONS

-A-

Municipalities may require that Maps, Plats or Subdivisions of lands therein must be submitted to them, or some officer designated by them, for their or his approval.

CHAPTER 24

Illinois Revised Statutes, 1955, State Bar Association Edition
"Revised Cities and Villages Act"

Article 1-General Powers

1-7. § 1-7. Maps—Approval of.) The corporate authorities have the power to provide, by ordinance, that any map, plat, or subdivision of any block, lot, sub-lot, or part thereof, or of any piece or parcel of land, shall be submitted to the corporate authorities, or to some officer to be designated by them, for their or his approval. In that case no such map, plat, or subdivision shall be entitled to record in the proper county, or have any validity until it has been so approved.

-B-

Municipalities may adopt a Comprehensive Plan for the development of lands therein and for land contiguous thereto not more than 1½ miles beyond the corporate limits and not included in any municipality.

CHAPTER 24

Illinois Revised Statutes, 1955, State Bar Association Edition
"Revised Cities and Villages Act"

ARTICLE 53. SPECIAL POWERS—PLAN COMMISSION

Sec.

53-1. Creation of plan commission—zoning commission may act as.

53-2. Powers of plan commission.

53-3. Maps and plats conform to plan.

53-1. § 53-1. Creation of plan commission—Zoning commission may act as.) Every municipality has the power to provide for the creation of a plan commission. The plan commission shall consist of a chairman and such other members appointed in such manner and serving for such terms as the corporate authorities of the municipality may prescribe by ordinance, except that the mayor, or president, of the municipality, and the president of the board of local improvements shall be members ex-officio of the commission. If there is a zoning commission in a municipality at the time the municipality provides for the creation of a plan commission, the zoning commission, in the discretion of the corporate authorities, may be designated as the plan commission under this article. Any plan commission now existing and officially recognized by the corporate authorities in any municipality may exercise all the powers conferred upon plan commissions by this article as fully as if it had been created hereunder, but if any changes in the membership of that plan commission are necessary to bring it into conformity with this section, those changes shall be made.

53-2. § 53-2. Powers of plan commission.) Every plan commission authorized by this article has the power:

(1) To prepare and recommend to the corporate authorities a comprehensive plan of public improvements looking to the present and future development of the municipality. After its adoption by the corporate authorities, this plan shall be known as the official plan of that municipality. Thereafter from time to time the plan commission may recommend changes in the official

plan. This plan may include reasonable requirements with reference to streets, alleys, and public grounds in unsubdivided land situated within the corporate limits or in contiguous territory not more than one and one-half miles beyond the corporate limits and not included in any municipality. These requirements shall be effective whenever this unsubdivided land is subdivided after the adoption of the official plan.

(2) In municipalities of more than 500,000 inhabitants or municipalities lying wholly or partly within a radius of 30 miles from the corporate limits of municipalities of more than 500,000 inhabitants to prepare and recommend to the corporate authorities a plan or plans for the development and redevelopment of the municipality and contiguous unincorporated territory not more than one and one-half miles beyond the corporate limits of the municipality and not included in any other municipality. The plan or plans when adopted by the corporate authorities shall be designated as the official plan, or part thereof, of that municipality. Such plan or plans may be adopted in whole or in separate geographical or functional parts, each of which, when adopted shall be the official plan, or part thereof, of that municipality. Thereafter, from time to time, the plan commission may recommend changes in the official plan or any part thereof. To provide for the health, safety, comfort and convenience of the inhabitants of the municipality and contiguous territory, such plan or plans may establish reasonable standards of design for subdivisions and for resubdivisions of unimproved land and of areas subject to redevelopment, including reasonable requirements for public streets, alleys, ways for public service facilities, parks, playgrounds, school grounds, and other public grounds.

(3) To prepare and recommend to the corporate authorities from time to time, plans for specific improvements in pursuance of the official plan.

(4) To give aid to the municipal officials charged with the direction of projects for improvements embraced within the official plan, to further the making of these projects, and generally to promote the realization of the official plan.

(5) To exercise such other powers, germane to the powers granted by this article, as may be conferred by the corporate authorities. As amended by act approved Aug. 4, 1949. L.1949, p. 456.

-C-

Maps, Plats or Subdivisions must conform to the Official Plan adopted by municipalities.

CHAPTER 24

Illinois Revised Statutes, 1955, State Bar Association Edition
"Revised Cities and Villages Act"

Article 53—Special Powers—Plan Commission

Section 53-3 § 53-3. Maps and plats conform to plan.)

No map or plat of any subdivision presented for record, affecting land (1) within the corporate limits of any municipality which has adopted heretofore or shall adopt hereafter an official plan in the manner prescribed in this article, or (2) within contiguous territory which is not more than one and one-half miles beyond the corporate limits of an adopting municipality, and not included in any municipality, shall be entitled to record or shall be valid unless the subdivision shown thereon provides for streets, alleys, and public grounds in conformity with the applicable requirements of the official plan.

-D-

Counties may require that Maps, Plats or Subdivision of lands therein not being within any city must be submitted to them, or some officer designated by them, for their or his approval.

CHAPTER 34

Illinois Revised Statutes, 1955, State Bar Association Edition
Counties

25. Powers of county board.) § 25. The County Board of each county has the powers enumerated in Sections 25.01 to 25.18, inclusive,¹ subject to the conditions therein stated. Powers conferred on counties shall be in addition to and not in limitation of their existing powers. As amended by Acts approved July 6, 1955. L.1955, p. —, H.B.No. 70; July 11, 1955. L.1955, p. —, H.B.No. 195; July 14, 1955. L.1955, p. —, H.B.No. 1058.

¹ Sections 25.01-25.18 of this chapter.

Section added: L.1949, pp. 656, 662, 668, 680.

Changes in maximum tax rate under this section do not repeal maximum rate for County Employees' Annuity and Benefit Fund under section 198 of this chapter. P. ex rel. Toman v. Dunkirk Bldg. Trust, 377-459, 36 N.E.2d 920; P. ex rel. Gill v. Denine Realty Trust, 366-418, 9 N.E.2d 251.

Validity. P. ex rel. Gill v. Denine Realty Trust, 366-418, 9 N.E.2d 251.

25.09. Maps, plats and subdivisions—Rules and regulations governing streets, public grounds, water supply, sewage, etc.—Estimate by engineer of expenditures necessary to conform—Fees—Plat officer not to engage in surveying.) § 25.09. To prescribe by resolution, reasonable rules and regulations governing the location, width and course of streets and highways, and the provision of necessary public grounds for schools, parks or playgrounds, in any map, plat, or subdivision of any block, lot or sub-lot or any part thereof or any piece or parcel of land, not being within any city, village or incorporated town, which rules and regulations may include such reasonable requirements with respect to water supply and sewage collection and treatment as may be established by the State Department of Public Health, and such reasonable requirements with respect to street drainage and surfacing as may be established by the Superintendent of Highways of the county and which by resolution shall be deemed to be the minimum requirements in the interest of the health, safety and convenience of the public of the county; and to provide by resolution that the map, plat or subdivision shall be submitted to the county board or to some officer to be designated by the county board for their or his approval. The county board shall have a qualified engineer make an estimate of the probable expenditures necessary to enable any person to conform with the standards of construction established by the board pursuant to the provisions of this Section. Each person who seeks the county board's approval of a map, plat or subdivision shall post a good and sufficient bond with the county clerk, in a penal sum sufficient to cover the estimate of expenditures made by the estimating engineer. The bond shall be conditioned upon faithful adherence to the rules and regulations of the county board promulgated pursuant to the authorization granted to it by this Section. And in such cases no such map, plat or subdivision shall be entitled to record in the proper county or have any validity until it has been so approved.

The county board may, by resolution, provide for a fee not exceeding five cents for each lot, sub-lot or tract of land shown upon any such map, plat or subdivision approved by the county board or by some officer designated by the county board to be paid by the party desiring to have the plat approved into the general corporate fund of the county.

No officer designated by a county board for the approval of plats shall engage in the business of surveying, and no map, plat

or subdivision shall be received for record or have any validity which has been prepared by or under the direction of such plat officer. As amended by act approved June 20, 1951. L.1951, p. 360.

Section added: L.1949, pp. 656, 662, 668, 680.

-E-

Recorders are restricted in the recording of Maps, Plats or Subdivisions (1) of lands situated in any incorporated city, town, or village and within 1½ miles of the corporate limits thereof not in any municipality which has adopted a City Plan and is exercising the Special Powers authorized by Sections 53-1 to 53-3 inclusive of the "Revised Cities and Villages Act", as amended, and also (2) of lands situated in the County outside of any incorporated city, town or village as prescribed by Section 13 § 13-Map - Restrictions on Recording - Penalty - Chapter 115 - Recorders - Illinois Revised Statutes, 1955, State Bar Association Edition:-

CHAPTER 115

Illinois Revised Statutes 1955, State Bar Association Edition
Recorders

13. Maps—Restrictions on recording—Penalty.) § 13. No recorder shall record any map, plat or sub-division of land situated in any incorporated city, town or village, nor within one and one-half (1-½) miles of the corporate limits of any incorporated city, town or village which has adopted a city plan and is exercising the special powers authorized by Section 53-1 to 53-3 inclusive of "An Act concerning cities, villages, and incorporated towns, and to repeal certain Acts herein named", approved August 15, 1941, as amended,¹ and not included in any municipality unless the map, plat or sub-division is under the seal of the county surveyor or a registered Illinois land surveyor and unless it is entitled to record as provided in Sections 1-7 and 53-3 of "An Act concerning cities, villages, and incorporated towns, and to repeal certain Acts herein named", approved August 15, 1941, as amended,² nor shall any recorder record any sub-division plat of any lands bordering on or including any public waters of the State in which the State of Illinois has any property rights or property interests, unless such sub-division plat is under the seal of the County Surveyor or a registered Illinois Land Surveyor and is approved by the Department of Public Works and Buildings, nor shall any recorder record any map, plat or sub-division of land situated outside any incorporated city, town or village unless the map, plat or sub-division is under the seal of the county surveyor or a registered Illinois land surveyor, and, unless it is entitled to record as provided in Section 25 of "An Act to revise the law in relation to counties, approved March 31, 1874, as amended,"³ provided, however, that the provisions of this Section shall not apply to any street or highway survey map or plat. For each and every violation of this section by any recorder or his deputy or employee, such recorder shall pay to the county the sum of \$200, to be recovered in any court of competent jurisdiction, in the name of the state, for the use of the county, in an action of debt with costs of suit. As amended by act approved June 30, 1945. L.1945, p. 1210.

¹ Chapter 24, § 53-1 to 53-3.

² Chapter 24, § 1-7 and 53-3.

³ Chapter 24, § 25.

SYNOPSIS OF DECISIONS BY THE SUPREME COURT OF THE STATE OF ILLINOIS, THE ILLINOIS APPELLATE COURT, THE UNITED STATES DISTRICT COURT, NORTHERN DISTRICT OF ILLINOIS, EASTERN DIVISION, THE UNITED STATES COURT OF APPEALS, SEVENTH CIRCUIT, AND THE SUPREME COURT OF THE UNITED STATES INTERPRETING AND SUSTAINING THE STATUTES OF THE STATE OF ILLINOIS RELATIVE TO HOUSING, REDEVELOPMENT, SLUM CLEARANCE AND OTHER RELATED MATTERS:-

-A-

SYNOPSIS OF DECISIONS BY THE SUPREME COURT OF THE STATE OF ILLINOIS:-

(No. 25005—Decree Affirmed)

PAUL A. KRAUSE et al. Appellants vs. THE PEORIA

HOUSING AUTHORITY et al., Appellees

Opinion filed January 26, 1939

370 Illinois 356

1. TAXES—clear intention to exempt property must be given effect. While exemption of property from taxation requires affirmative action by the General Assembly and tax-exemption statutes are construed most strongly against the exemption, nevertheless, if a clear intention to exempt certain property appears, it must be given effect.

2. SAME—what necessary for exemption as public charity. For property to be exempt from taxation on grounds of public charity within the provisions of the seventh paragraph of section 2 of the Revenue act, it must be owned by a charitable organization, and used exclusively for charitable purposes, but there is no fixed rule by which it can be determined whether an organization is a charitable one, each case being determined by its particular facts.

3. SAME—what constitutes a charity. A charity, in a legal sense, is not confined to mere almsgiving or to the relief of poverty and distress but has a wider signification and embraces the improvement and happiness of man, and a charitable use, where neither law nor public policy forbids, may be applied to almost anything that tends to promote the well-doing and well-being of social man.

4. STATUTES—statutes will be construed valid, if possible. If possible, statutes must be so construed as to avoid invalidity, that construction being adopted, if possible, which renders the statute constitutional.

5. HOUSING—property of housing authority under Housing Authorities act is exempt from taxation as a public charity. Property of a housing authority organized under the Housing Authorities act is entitled to a general exemption from taxation as a public charity under the provision of the seventh paragraph of section 2 of the Revenue act, and section 29 of the Housing Authorities act indicates an intention that there be a general tax exemption of housing authorities.

6. SAME—making city disbursing agent for taxing bodies does not create special privilege. The provisions of section 29 of the Housing Authorities act and section 5b of the Housing Cooperation act making the city disbursing agent for taxing bodies of shelter rentals received, and authorizing it to contract for all taxing bodies with the housing authority, are not invalid as creating a special privilege or as special legislation in violation of section 22 of article 4 of the constitution, nor as taking from other taxing bodies the power to levy taxes, as the charge collected is not a tax, the property being exempt, and no one taxing body is given any preference over any other.

7. SAME—Housing Authorities act not invalid as creating special privilege. A housing authority organized under the Housing Authorities act is created for a public purpose, and as the entire community derives some benefit from slum-clearance, the act is not invalid as creating a special privilege in favor of those

entitled to housing, all persons who come within the standards being eligible.

8. SAME—Housing Authorities act does not violate constitutional limitation of indebtedness of municipalities. The Housing Authorities act does not violate the provision of the constitution limiting the indebtedness of municipalities, as the obligations of a local housing authority are payable only out of funds or property of the authority, and the obligation of the city to continue the performance of municipal functions, as provided in its contract with the housing authority, does not constitute the incurring of an indebtedness within the terms of the constitution.

9. SAME—classification by population in Housing Authorities act is not invalid. Statutory classifications based on population are valid whenever there is a reasonable relation between the population and the objects and purposes of the statute, and as the housing problem is more acute in large communities than in small ones the limitation in the Housing Authorities act of power to create a housing authority to cities of a certain population is not an arbitrary classification, and by the provision including counties the need for slum clearance in smaller cities is met.

10. SAME—act validating housing authorities created under act of 1934 is valid. The act of 1937, specifically validating housing authorities organized under the Housing Authorities act of 1934 prior to the amendment of 1937 providing definite standards to guide the State Housing Board in determining whether a housing authority may be created, is a valid enactment and is, in effect, the creation of such housing authorities by the legislature itself, and such validating act is not invalid as special legislation, as it does not fall in any of the enumerated classes of section 22 of article 4 of the constitution.

11. SAME—provision making the bonds of housing authorities proper investments for trust funds is valid. The provision of section 28 of the Housing Authorities act which authorizes the investment of certain funds in bonds of housing authorities is valid, as it applies only to bonds of projects receiving financial assistance from the Federal government, which makes a reasonable basis for the classification, nor is such provision invalid because other statutes, to which no reference is made, provide for the investment of trust, insurance and other funds, as the Housing Authorities act is a separate and complete statute and reference to other statutory enactments is unnecessary.

12. SAME—Housing Authorities act is not invalid as authorizing city to bargain away governmental powers. The provisions of the Housing Authorities act with reference to contracts by cities with housing authorities and with government agencies are not invalid as authorizing cities to bargain away their governmental powers, as a city may voluntarily contract with an agency of the national government within authority granted it by the State, and the agreement of the city commits it only to the performance of governmental functions clearly within its power.

13. SAME—contracts with housing authority cannot be enjoined because made prior to statute taking effect. Contracts entered into with a housing authority cannot be enjoined because the legislation authorizing them contained no emergency clause and had not taken effect when the contracts were made, as a statute which has been approved but not in effect will be given legal force, and contracts may be made to become operative on the effective date of the statute.

14. CONSTITUTIONAL LAW—what may be validated by

curative act. The legislature may, by curative act, validate any proceeding which it had power to authorize in advance, but it cannot destroy vested rights nor impair the obligations of contracts entered into prior thereto.

15. SAME—legislature must determine whether general law can be made applicable. The enactment of general laws in all cases where such laws are applicable is a matter of legislative discretion, not subject to judicial review, provided the legislation in question does not fall in any of the enumerated classes of special laws prohibited under section 22 of article 4 of the constitution.

16. SAME—when statute does not delegate legislative power. Administrative discretion is not an unconstitutional delegation of the legislative function where adequate standards to guide the exercise of discretion by the administrative authority are provided for by the statute.

17. SAME—when legislative classification is proper. The General Assembly has the power to classify persons or objects, provided such classification has a reasonable basis, but there must be a substantial difference which has a reasonable relation to the classification.

(No. 26491.—Reversed and remanded.)

ST. CLAIR HOUSING AUTHORITY, Appellant, vs.
THERESA QUIRIN et al. Appellees.

Opinion filed January 22, 1942.

379 Ill. - 52

1. EMINENT DOMAIN—jury determines values and damages, only. The jury in a condemnation suit is called only for the purpose of finding values and fixing damages, and this issue cannot be broadened nor the verdict influenced by the interjection of immaterial matters, especially matters calculated to be prejudicial.

2. SAME—what questions are not for jury to consider. In a condemnation suit, whether or not the project is necessary or advisable, or the necessity for taking the property, or whether more property is taken than necessary, and whether or not it is ever paid for or who pays the judgment, are not questions for the jury to consider and should not be brought before it in any way.

3. SAME—voir dire examination of jury is only for purpose of peremptory challenge. An attorney on voir dire examination of jurors has a right to make such reasonable inquiry as will permit him intelligently to exercise his right of peremptory challenge, but the right goes no further.

4. SAME—discretion of court on voir dire examination is subject to review. Such discretion as the trial court has on voir dire examination of the jury is a judicial discretion subject to review, and if abused may bring about a reversal.

5. SAME—when judgment will be reversed because of the improper voir dire examination of jury even though verdict is within range of evidence. Application of the rule that a verdict within the range of the evidence will not be disturbed depends on the circumstances of the particular case, and where a housing authority, organized under the statute to provide low-rent housing, is condemning land for such a project, improper voir dire examination of the jury, conveying information that the Federal government was interested in the project or was financing it or that it would not cost the taxpayers anything, requires reversal of the judgment, even though the petition, by way of surplusage, refers to the interest of the Federal government and the verdict is within the range of the evidence.

(No. 27995.—Reversed and remanded)

JOHN F. ZURN, Appellee, vs. THE CITY OF CHICAGO et al.,
Appellants

Opinion filed January 17, 1945
389 Illinois 114

1. EMINENT DOMAIN—whether property shall be taken for public use is for the legislature. The question whether the use to

which it is sought to apply private property is a public use is a judicial question which must be decided by the courts, but when the use is public, the judiciary cannot inquire into the necessity for, or propriety of, exercising the right of eminent domain, as that belongs exclusively to the legislature, and where it has delegated to a corporation the power of eminent domain, the corporation has the authority to decide on the necessity for exercising the right. (p. 121)

2. CONSTITUTIONAL LAW—Neighborhood Redevelopment Corporation Law of 1943 is not invalid as authorizing taking private property for other than public use. As the legislature has determined that the elimination of conditions conducive to ill-health, transmission of disease, infant mortality, juvenile delinquency, crime and poverty as enumerated in section 2 of the Neighborhood Redevelopment Corporation Law of 1943 is in the interest of health, morals, safety and general welfare of the citizens of the State, the Supreme Court cannot say that the legislative finding that the elimination and redevelopment of slum and blight areas is a public purpose is unwarranted, and such use constitutes a public use regardless of the use to be made of the property after the redevelopment has been achieved. (p. 128)

3. SAME—what provisions for notice fulfill requirements of due process. The provisions of the Neighborhood Redevelopment Corporation Law for general notice by publication of a hearing on application for a certificate of convenience and necessity or for a certificate authorizing the corporation to acquire certain property do not violate the requirements of due process essential to the condemnation of property, as such hearing is preliminary to the proceeding in eminent domain, which, when instituted, requires a hearing to determine whether all precedent conditions have been complied with, and in which the property owner has the right and opportunity to be heard on all questions on which he is entitled to be heard, which fulfills all the requirements of due process of law. (p. 129)

(No. 28527—Decree affirmed)

THE SPRINGFIELD HOUSING AUTHORITY, Appellee, vs. M.B. OVERAKER, COUNTY CLERK, et al., Appellants

Opinion filed May 23, 1945
390 Illinois 403

1. INJUNCTION—injunction is proper to prevent taxing property not subject to taxation. Injunction is a proper remedy where a property owner alleges that a tax is levied upon property not subject to taxation. (p. 404)

2. TAXES—property of housing authority is exempt from taxes as a public charity. A housing authority organized under the Housing Authority Act, which operates a low rent housing project in the manner directed by the act, is a public charity, and where its property is devoted exclusively to charitable purposes and is not leased or otherwise used with a view to profit, the property is exempt from taxation. (Krause v. Peoria Housing Authority, 370 Ill. 356, followed.) (p. 408)

3. HOUSING—when housing authority does not lose its charitable character. A housing authority does not lose its charitable character and consequent exemption from taxation merely because the enterprise yields income, where the gross income and the entire property are used directly and exclusively for charitable purposes and its homes are not leased or used primarily to produce revenue or with a view to profit. (p. 409)

4. SAME—housing authority's payment of service charge in lieu of taxes is not a commutation of taxes. Where the low rent housing project of a housing authority is exempt from taxation, the payment of a service charge in lieu of taxes, under section 29 of the Housing Authorities Act, does not amount to a commutation of taxes, the property being exempt from taxation. (p. 411)

(No. 29503—Judgment affirmed)

THE PEOPLE ex rel. WILLIAM J. TUOHY, State's Attorney,
Appellant, vs. THE CITY OF CHICAGO et al., Appellees

Opinion filed September 18, 1946
394 Illinois 477

1. EMINENT DOMAIN—use for which land is taken must be

public. To justify the exercise of the right of eminent domain the law requires that the use for which the land is taken shall be public as distinguished from a private use, and any attempt of a statute or ordinance to grant the right to take private property for private use is void under the constitution, the determination of whether a given use is a public use being a judicial function. (p. 481)

2. SAME—weight of prior decisions as to public use. The language used in prior decisions as to what constitutes a public use must be read in connection with the facts involved and is authority only for what is decided on such facts. (p. 482)

3. SAME—general rule as to what constitutes a public use. Public use requires that all persons must have an equal right to the use, that it must be in common and upon the same terms, however few the number who avail themselves of it, and that it shall be open to all people to the extent that its capacity may admit of such use, and such use cannot be confined to privileged persons but must be for all men or a class of men, and not for a special few, although the use may be confined to a particular district and still be public. (p. 484)

4. MUNICIPAL CORPORATIONS—slum-clearance enabling statute is valid. The slum-clearance enabling statute of 1945 is a part of the Cities and Villages Act and is not invalid as authorizing the taking of property for private use, as it affects a community as distinguished from an individual, the law controls the use to be made of the property, viz., the elimination of a slum district and other public uses, the title so taken is not vested in a person or corporation as a private property to be used and controlled as private property, the public reaps the benefit of public possession and use, and no one can exercise control except the municipality, nor is the statute invalid because it authorizes the city to lease property or to sell it when the necessity for its use fails. (p. 487)

5. SAME—slum-clearance enabling statute is not invalid as authorizing taxation for noncorporate purpose. The slum-clearance enabling statutes of 1945, being a part of the Cities and Villages Act, is not invalid as vesting municipalities with authority to assess and collect taxes for other than municipal corporate purposes, as the statute declares as a matter of public policy that a slum area is detrimental to public safety, health or morals, and the State, through the General Assembly, may declare what is the public policy on such matters, making slum clearance a corporate purpose within the meaning of section 9 of article IX of the constitution and authorizing taxation and the issuance of bonds. (p. 488)

6. SAME—slum-clearance enabling statute contains valid emergency clause. The emergency clause of the slum-clearance enabling statute of 1945 expresses facts sufficient to constitute an emergency as required by section 13 of article IV of the constitution to enable it to become effective before July 1, 1945. (People v. Chicago Transit Authority, 392 Ill. 77, followed.) (p. 488)

Murphy, J., dissenting.

(No. 30515—Judgment affirmed)

THE PEOPLE ex rel. WILLIAM J. TUOHY, State's Attorney, Appellant, vs. THE CITY OF CHICAGO et al., Appellees

Opinion filed March 18, 1948

399 Illinois 551

1. MUNICIPAL CORPORATIONS—municipal corporations need not be given taxing power. There is no constitutional requirement that municipal corporations be given taxing power, as such power is not a prerequisite to their existence, but section 9 of article IX of the constitution authorizing the vesting of municipal corporations with the power to assess and collect taxes is permissive and not mandatory, and section 10 of article IX does not require that they be given the taxing power, being rather a limitation on the power of the legislature to levy taxes upon municipal corporations. (p. 555)

2. SAME—Blighted Areas Act and Rehousing Act are not invalid as vesting taxing power in others than municipal authorities. The Blighted Areas Act and the Rehousing Act are not

invalid as attempting to vest the power of taxation in persons who do not constitute the corporate authorities of the cities on which the liabilities are imposed, in contravention of section 9 of article IX of the constitution, as the taxes are to be levied by the corporate authorities and not by the Land Clearance Commissioners or the Housing Authority, and the money raised by taxation will merely be administered by them to effectuate the slum clearance and rehousing programs. (p. 556)

3. SAME—legislative power to create and provide for filling municipal offices is supreme. In creating municipal corporations, the General Assembly must provide for the officers of such corporations, and, in the matter of so creating the offices and providing for the manner in which they shall be filled, the legislative power is supreme. (p. 557)

4. SAME—Blighted Areas Act is not invalid as duplicating municipal powers. Under our system of government different public authorities exercise jurisdiction within parts of the same territory, and while the Land Commissioners under the Blighted Areas Act are given similar power to that of the city in which they operate in clearing slums, there is no duplication of taxes in the area, and the Blighted Areas Act is not invalid as duplicating the powers of the city. (People ex rel. Greening v. Bartholf, 388 Ill. 445, followed.) (p. 557)

5. SAME—Blighted Areas Act does not delegate legislative authority. The Blighted Areas Act prescribes in detail the procedure and all essential facts necessary to create Land Clearance Commissions, but only the determination of the existence of those facts is delegated to the governing body of the municipality and the State Housing Board, the statute creating the commission when the prescribed facts are found by those bodies, and the act is not invalid as delegating legislative powers, as the discretion exercised by either the State Housing Board or the municipality must be under and pursuant to the law. (p. 558)

(No. 30514—Decree affirmed)

CHARLES F. CREMER et al., Appellants, vs. PEORIA HOUSING AUTHORITY et al., Appellees

Opinion filed March 18, 1948

399 Illinois 579

1. HOUSING—the 1945 and 1947 State Grant acts are not invalid as private laws. The 1945 and 1947 State Grant acts, providing governmental assistance for housing, are not invalid as in violation of section 16 of article IV of the constitution, prohibiting appropriations in any private law, as the acts are public laws serving a public purpose, and while the taking of taxpayers' money for a private purpose is a violation of due process, State funds may be appropriated to private corporations or individuals where the money is to be spent for a public purpose. (p. 586)

2. SAME—State grant in aid of housing is for a public purpose. The determination of what is for the public good and what are public purposes are questions to be decided in the first instance by the General Assembly, which is vested with a large discretion in this respect, and its determinations will not be set aside unless clearly evasive of or contrary to constitutional prohibitions, and where it has determined that a housing shortage prevails throughout the State and it strikes directly at the social evils inherent therein by State grants in aid of slum clearance and prevention of blighted areas, it cannot be contended that the grants are not for a proper public purpose, even though private corporations or individuals are incidentally benefited. (p. 588)

3. SAME—classification in State Grant Act is not discriminatory. It cannot be contended that the classification in the State Grant Act is discriminatory and unreasonable, as veterans and families of deceased veterans and persons urgently in need of safe and sanitary housing are appropriate classes to receive the incidental benefits provided. (p. 592)

4. SAME—State Grant Act does not violate separate section 2 of constitution. The State Grant Act does not violate separate section 2 of the constitution which prohibits donations or loans to private corporations, as the expenditure of State funds and the transfer of real estate acquired under the act cannot be made without the approval of the State Housing Board and the non-

profit corporation which receives the funds is not such a corporation as is included in that section, and there is an exchange of considerations between the parties which precludes the element of a donation or loan. (p. 593)

(No. 30657—Decree affirmed)

HOUSING AUTHORITY OF GALLATIN COUNTY et al., Appellees, vs. CHURCH OF GOD, et al., Appellants
Opinion filed September 24, 1948
401 Illinois 100

1. FREEHOLD—when enforcement of building restriction involves freehold. A direct appeal does not lie from a decree enjoining violation of a restrictive agreement where the agreement by its terms expires on a certain date, but where the right asserted depends upon the existence of a perpetual easement a freehold is involved, such as where restrictive agreements appear to be permanent or indefinite in duration. (p. 106)

2. BUILDING RESTRICTIONS—owner may impose any lawful restrictions in conveyance-subsequent purchasers. An owner of real estate has the right to convey it subject to any condition or restriction he deems fit to impose, provided the conditions or restrictions are not against public policy and do not materially impair the beneficial enjoyment of the estate, and subsequent purchasers will be bound by such restrictions and equity will enforce them by injunction upon the application of any person in whom the right to enforce them is vested. (p. 107)

3. SAME—when purchasers of lots in subdivision may enforce restrictions as easements. Restrictions upon the use of property in a particular subdivision, which are imposed as a part of a general plan for the benefit of all the lots affected, give to the purchasers of the lots a right in the nature of an easement, which will be enforced against owners of other lots so affected where the intention is clearly shown by the restrictions and the enforcement of them is necessary for the protection of substantial rights. (p. 108)

4. SAME—when building restriction will not be enforced. Equity will not enforce a building restriction where, by the acts of the grantor who imposed it, or of those who derived title under him, the property, and that in the general area, has so changed in character and environment and the uses to which it may be put as to make it unfit or unprofitable for use if the restriction be enforced, or where to enjoin violation of the restriction would be a great hardship on the owner and of no benefit to the plaintiff, or where the plaintiff has abandoned the restriction. (p. 108)

5. SAME—when restriction to residence buildings will be enforced. Where it appears from the pleadings in a suit to enjoin erection of a church as violating a restriction limiting buildings to residences that the purchaser of lots in a housing authority subdivision had knowledge that the restriction existed and where it appeared in the chain of title, the only question being whether the restriction had been waived, on a review of the common-law record, only, the finding of the chancellor that there had been no change in the neighborhood so as to defeat the purpose of the restriction will be presumed to be supported by the evidence and a decree enforcing the restriction will be affirmed. (p. 108)

6. CONSTITUTIONAL LAW—when constitutional question as to freedom of religion is not presented. An appeal from a decree enjoining the erection of a church on property sold by a housing authority "to be used for Residential purposes and not otherwise" does not involve the constitutional question of freedom of religion where it affirmatively appears from the pleadings that the housing authority provided areas for church purposes and, in fact, had conveyed property to defendant for that purpose, and where the question is raised for the first time on review attacking the decree, the question involved is the validity of the decree and not a constitutional question. (p. 110)

(No. 31823—Reversed and remanded)

THE DEPARTMENT OF PUBLIC WORKS AND BUILDINGS, Appellee, vs. JULIUS GORBE, et al., Appellants
Opinion filed March 22, 1951—Rehearing denied May 21, 1951.
409 Illinois 211

EMINENT DOMAIN—section 2a of the Eminent Domain Act is invalid. The constitutional guaranty requiring the payment of compensation for property taken or damaged for the public use is self-executing, and prohibits the possession and use of private property until just compensation has been fixed and paid; and section 2a of the Eminent Domain Act, providing for a declaration of taking and an estimate of the just compensation to be deposited and for the right of entry five days thereafter and before the determination of just compensation, is invalid as in violation of section 13 of article 11 of the constitution. (p. 215)

(No. 31862—Appeal dismissed)

CHICAGO HOUSING AUTHORITY, Appellee, vs. BURTON R. ABRAMS, et al.—(GEORGE T. JURUS, et al., Appellants)
Opinion filed May 24, 1951
409 Illinois 226

1. EMINENT DOMAIN—when order denying motion to dismiss petition is not void. An order denying a motion by defendants to dismiss a petition for condemnation for insufficiency, which does not question the jurisdiction of the court, cannot be said to be void for want of jurisdiction, but where the court has jurisdiction to hear and pass on the motion, its adverse decision thereon does not make its order void but rather a correct or incorrect order, as may be determined in due course. (p. 229)

2. SAME—when order denying motion to dismiss is not final and appealable. An order denying a motion to dismiss a petition for condemnation, which leaves the petition standing for further hearing in the trial court, is not a final adjudication between the parties, and is not a final and appealable order. (p. 229)

(No. 32038—Appeal dismissed)

CHICAGO LAND CLEARANCE COMMISSION, a Municipal Corporation, Appellee, vs. INEZ WHITE, et al., Appellants
Announcement made May 21, 1951
409 Illinois 290

EMINENT DOMAIN—appeal does not lie from denial of motion to dismiss petition. An appeal does not lie from an order denying a motion to dismiss a condemnation petition, as such an order is not a final and appealable order, and this is true regardless of whether there is a declaration of taking, as the provision of section 12 of the Eminent Domain Act, as amended in 1949, making such order final and appealable, depends on section 2, which has been held invalid. (Department of Public Works and Buildings v. Gorbe, ante, p. 211, followed.) (p. 290)

(No. 32140—Judgment affirmed)

CHICAGO LAND CLEARANCE COMMISSION, Appellee vs. INEZ WHITE, et al., appellants

Opinion filed January 24, 1952—Rehearing denied March 17, 1952
411 Illinois 310

1. JUDICIAL NOTICE—judicial notice is taken that certain person is judge of city court. The Supreme Court will take judicial notice of the fact that a certain person is a judge of the city court of a certain city, and as such is empowered to hold court in a circuit court of any circuit in the State when properly requested to do so. (p. 314)

2. EMINENT DOMAIN—right to condemn is preliminary question determined without jury. The right of a petitioner to maintain a condemnation suit is a preliminary question to be determined by the court without a jury, the only issue to be tried by a jury being the amount of compensation to be awarded. (p. 314)

3. SAME—unauthorized appeal is not permitted to delay condemnation suit. An unauthorized appeal from an order overruling a motion to dismiss a condemnation proceeding should not be permitted to delay the proceeding, and it is proper to proceed to determine the issue of just compensation during the pendency of such an appeal. (p. 315)

4. SAME—when proceeding for slum clearance is not for private purpose. A proceeding in condemnation to clear from a certain area the moral and physical blight which slum and con-

gestion has created is not a proceeding for taking the land for private purposes because the petitioner has entered into a contract for the sale of a portion of the area after it has been acquired, as a proceeding for redevelopment of slum and blighted areas is for a public purpose regardless of the use to be made of the property after the redevelopment has been achieved. (p. 316)

(N.B. *Certiorari in Chicago Land Clearance Commission vs White*, 411 Illinois 310, 104, N. E. 2d 236, denied by the Supreme Court of the United States. 344 U.S. 824)

(No. 32641—Cause transferred)

GEORGE T. JURUS, et al., Appellants, vs THE CHICAGO HOUSING AUTHORITY, Appellee

Opinion filed March 23, 1953

414 Illinois 432

APPEALS AND ERRORS—when order dismissing bill of review does not involve freehold. Where a bill of review seeks to review a condemnation proceeding, alleging that the court was without jurisdiction to enter the judgment and praying that the judgment be reviewed, reversed and set aside, an order allowing a motion to dismiss the bill of review on the ground that it cannot function as an appeal or writ of error does not involve a freehold so as to warrant a direct appeal from the order of dismissal, even though the bill of review alleged constitutional grounds, the trial court having decided no constitutional questions. (p. 435)

(No. 32520—Judgment affirmed)

THE PEOPLE ex rel. JOHN GUTHNECHT, State's Attorney, Appellant, vs. THE CITY OF CHICAGO et al., Appellees.

Opinion filed March 23, 1953

414 Illinois 600

1. CONSTITUTIONAL LAW—act of 1949 amending Blighted Areas Redevelopment Act is not invalid as transcending scope of title of act amended. The act of 1949 amending the Blighted Areas Redevelopment Act of 1947 is not invalid as transcending the scope of the title of the act amended, as the amendatory act broadens the range of the former act by amending the title and the body of the act to include vacant land described as blighted, the amended title being sufficiently comprehensive and the amendatory act being germane to the act amended. (p. 606)

2. SAME—what is included in "subject" of an act. The term "subject" is comprehensive and may be as broad as the legislature chooses, so long as the matters included have a logical connection, and an act may include all matters germane to its general subject, including the means reasonably necessary or appropriate to the accomplishment of the legislative purpose, a provision not being void as not embraced in the title so long as it is not incongruous or unconnected with the title. (p. 607)

3. SAME—new housing is related to elimination of slums. New housing in vacant lands to be acquired under the provisions of the act of 1949 amending the Blighted Areas Redevelopment Act of 1947 is related to the elimination of slums, the subject of the act amended, and the amendatory act is germane to the act amended. (p. 609)

4. SAME—act amending Blighted Areas Redevelopment Act is not invalid in not including "fair value" in title. The act of 1949 amending the Blighted Areas Redevelopment Act of 1947 is not invalid in referring to "fair value" of the land to be acquired without including reference to "fair value" in the title of the act, as the title of an act need not contain all detailed provisions or serve as an index to the contents of the act. (p. 610)

5. SAME—act of 1949 amending Blighted Areas Redevelopment Act does not provide for condemnation of land for private purpose. The act of 1949 amending the Blighted Areas Redevelopment Act of 1947 does not provide for the acquisition of lands for a private purpose, as its provision for subsequent sale to private interests for development for residential use after acquisition by eminent domain results in the elimination and redevelopment of slums and blighted areas, which is a public purpose, the alleviation of housing shortage being an essential aid to slum clearance. (p. 611)

6. SAME—when words used in statute satisfy requirements of certainty. Use of words in a statute which are commonly understood when taken in connection with its context does not render a statute invalid, as a statute satisfies the requirement of certainty if the words and phrases employed have a technical or other special meaning sufficiently well known to enable those within their reach to apply them. (p. 615)

7. SAME—when use of term "fair value" does not constitute delegation of legislative power. The use of the term "fair value" in the act of 1949 amending the Blighted Areas Redevelopment Act, in providing for consideration of taxes and special assessment delinquencies when fixing values of land to be taken, does not constitute a delegation of legislative power, as the provision authorizes the commission to find facts and to pursue the course of action prescribed, and granting such administrative discretion does not amount to unconstitutional delegation of legislative power where adequate standards are given by which to guide the exercise of the discretion conferred. (p. 615)

8. SAME—what provision for condemnation of land does not violate due process. The provision of the act amending the Blighted Areas Redevelopment Act giving the commission the right to decide what property is to be taken by condemnation for housing does not violate due process requirements, as the decision of the condemning body is not a taking of the property, but the taking can only be accomplished by filing a petition and ascertaining and paying compensation for the property after the owner has had a hearing on all questions on which he is entitled to be heard. (p. 616)

9. SAME—the act of 1949 amending the Blighted Areas Redevelopment Act does not violate separate section 2 of the constitution. The act of 1949 amending the Blighted Areas Redevelopment Act of 1947 does not provide for a donation of land to a prospective developer in violation of separate section 2 of the constitution, as the provision permitting the commission to sell the land to the developer at its "use value" is subject to the restrictions of the statute and the redevelopment plan contemplated, and the constitution does not prohibit such an exchange of considerations between the parties. (p. 617)

10. SAME—the act of 1949 amending the Blighted Areas Redevelopment Act does not violate section 12 of article IX of the constitution. The act of 1949 amending the Blighted Areas Redevelopment Act does not violate section 12 of article IX of the constitution in providing that the commission may borrow money or property or accept financial assistance in aid of the purposes of the act, as the evidences of indebtedness are to be payable solely out of proceeds of sale of the property and the revenue from operation and management, or other sources without creating a debt against any political subdivision, within the constitutional inhibition. (p. 619)

11. SAME—authorization to use proceeds of bonds issued under Blighted Areas Redevelopment Act does not invalidate amendatory act of 1949. The provision of the act of 1949 amending the Blighted Areas Redevelopment Act authorizing the use of the proceeds of bonds issued prior to the amendment to accomplish the purposes of the act is not an illegal diversion of the proceeds of the bonds, as the housing on vacant lands authorized by the amendatory act is an essential part of the slum clearance program for which the bonds were authorized by referendum under the original act. (p. 620)

12. SAME—legislature may authorize use of funds of municipality for broader purpose. The legislature has broad powers over municipalities and their funds, and their property and funds are subject to its will, and the broadened use, under the amendatory act of 1949, of the proceeds of bonds issued under the original Blighted Areas Redevelopment Act is not unauthorized, nor does it violate section 34 of article IV of the constitution, as that section authorizes a scheme or charter for the city of Chicago, and it has no bearing upon the act in question, which is a general act applicable to all municipalities of more than 25,000 inhabitants. (p. 621)

Crampton, C. J., dissenting.

Additional decision to be inserted on p. 98 of Illinois Housing
Lawe (Green Book) preceding the decision in George T. Jurus, et al.,
Appellants, vs The Chicago Housing Authority, Appellse, 414 Ill. 432.
413 Ill. 377
(No. 32510 - Judgment affirmed.)

George Ross et al., Appellants, vs Chicago Land Clearance Commission
et al., Appellse.

Opinion filed November 20, 1952.

1. Slum Clearance - the Blighted Areas Redevelopment Act is not
invalid in failing to require notice. The Blighted Areas Redevelop-
ment Act of 1947 is not invalid because of its failure to require
notice to property owners in the alleged blighted areas of the hearings
before the State Housing Board, as the property owners are accorded a
full and complete hearing on all questions in the condemnation hearings
which follow, in which they are accorded every opportunity to be heard
on alleged infringement of their rights. (p.380)

2. Same - action of State Housing Board not reviewable under
Administrative Review Act. As the Blighted Areas Redevelopment Act
of 1947 does not adopt the provisions of the Administrative Review Act
but expressly provides for review of proceedings under it in accordance
with its own provisions, the action of the State Housing Board in
approving a proposed slum clearance project is not reviewable under the
provisions of the Administrative Review Act, as a review under that Act
is available only if the act creating the agency whose action is to be
reviewed expressly adopts the provisions of the Administrative Review
Act. (p.381)



(No. 32009—Order affirmed)

CHICAGO HOUSING AUTHORITY, Appellee, vs. GILBERT R. BERKSON, et al., Appellants.

Opinion filed May 20, 1953
415 Illinois 159

1. EMINENT DOMAIN—when objection to right to condemn comes too late—jurisdiction. If a property owner wishes to contest the right of a condemnor to acquire his property by eminent domain, he is required to raise that issue before a jury is empaneled to determine the award, and an objection to the right of the petitioner to take the property, first asserted long after the judgment was entered, comes too late, the objection affecting only the right to condemn and not the general jurisdiction of the court over the subject matter. (p. 161)

2. SAME—when ordinances do not show abandonment of plan for public use of property condemned. Where an ordinance describes certain property as being within the area of operation of a municipal housing authority and the authority proceeds to acquire the same by condemnation, the fact that a subsequent ordinance relating to a Federally-aided low-rent housing project does not include certain property described in the first ordinance is not ground for setting aside the condemnation of that property as having been abandoned so far as any public use of it is concerned, as the clearance of slums is a public use regardless of subsequent use of the property. (p. 162)

(Nos. 32631, 32657—Judgments affirmed)

CHICAGO LAND CLEARANCE COMMISSION, Appellee, vs. INEZ WHITE et al., —(ANDREW K. JOHNSON et al., Appellants.)
Opinion filed September 24, 1953—Rehearing denied Nov. 16, 1953.
1 Illinois 2nd 69

This case is controlled by the decision in Chicago Land Clearance Com. v. White, 411 Ill. 310. (p. 72)

(No. 33047—Judgment affirmed.)

CHICAGO LAND CLEARANCE COMMISSION, Appellee, vs. INEZ WHITE, et al., —(TIMOTHY STANFIELD et al., Appellants.)
Opinion filed January 22, 1954—Rehearing denied March 15, 1954.
2 Illinois 2nd 216

EMINENT DOMAIN—when proceeding for slum clearance is not for private purpose. In a condemnation proceeding under the Blighted Areas Redevelopment Act to clear from a certain area the moral and physical blight which slum and congestion have created, it cannot be contended that because the tract, after its clearance, is conveyed to a corporation for residential development according to a plan by which the corporation will become the owner, the taking is for a private use, and the subsequent development under such circumstances does not make the condemnation unlawful as a taking for a private purpose. (Chicago Land Clearance Com. v. White, 411 Ill. 310, followed.) (p. 218)

(No. 33045—Judgment affirmed)

KANKAKEE COUNTY HOUSING AUTHORITY, Appellee, vs. LAURA SPURLOCK, Appellant.
Opinion filed May 24, 1954—Rehearing denied July 13, 1954.
3 Illinois 2nd 277

1. EMINENT DOMAIN—when condemnation for housing project does not violate nonsegregation requirements. Where it appears that a housing authority, seeking to condemn land for housing projects, made no official or administrative determination that the housing will be devoted to race segregation or that such segregation will be enforced, its statement to a Federal Agency in its application for the use of Federal funds for the project showing estimated distribution of the units between whites and nonwhites necessary to achieve racial equity required by the Federal agency does not show a violation of constitutional prohibitions against race segregation, the plan being approved by the Federal chief of racial relations, and the petition to condemn is not for an illegal or unconstitutional purpose. (p. 282)

2. MUNICIPAL CORPORATIONS—municipal officials are presumed to properly perform duties—burden of proof. The presumption is that public officials will properly discharge their duties, and where municipal action has been attacked on the ground that it will be unreasonably and unconstitutionally enforced, it will not be presumed in advance that the corporation will do an unconstitutional act, the burden being on the party attacking such action to prove by definite and certain evidence the conditions under which the municipal action may be obnoxious to the constitution before a court is justified in disturbing such action. (p. 283)

3. JURORS—when challenge to array comes too late. A challenge to the jury array comes too late when made after the jury is chosen and sworn, and a motion to discharge the jury after it is sworn because Negroes were excluded is properly denied. (p. 284)

(No. 33236—Judgment affirmed)

THE PEOPLE ex. rel. JOHN GUTKNECHT, State's Attorney, Appellant, vs. THE CITY OF CHICAGO et al., Appellees.
Opinion filed September 23, 1954
3 Illinois 2nd 539

1. CONSTITUTIONAL LAW—Urban Community Conservation Act does not provide for taking property by eminent domain for private use. The Urban Community Conservation Act is not invalid as providing for taking property by eminent domain for a private use, as possessory use by the public is not an indispensable prerequisite to the lawful exercise of the power of eminent domain, and when the areas described therein have been reclaimed and the redevelopment achieved, the public purpose has been fully accomplished, and the fact that the act does not thereafter vouchsafe the continued use for public purposes of the property acquired does not render the exercise of power of eminent domain a taking of property for a use which is not public. (p. 543)

2. SAME—possible abuse of the power does not render grant invalid. No constitutional principle paralyzes the power of government to deal with an evil until it has reached its maximum development, and the legitimate use of governmental power is not prohibited because of the possibility that the power may be abused. (p. 545)

3. SAME—Urban Community Conservation Act is not invalid as delegating legislative power. The Urban Community Conservation Act is not invalid as delegating legislative power to the Community Conservation Board, as the action of the board in designating a conservation area carries with it no legal consequences until a plan for the area becomes effective by adoption by the city council, and the action which affects the rights of property owners is legislative rather than administrative. (p. 546)

4. SAME—Urban Community Conservation Act is not invalid as indefinite. The Urban Community Conservation Act is not invalid as vague and indefinite, as the provision for designating a conservation area requires the consideration of various blighting factors enumerated in the definition, or a combination of them, and if the action taken by the city council in approving a conservation plan is deemed unreasonable, oppressive, capricious or discriminatory, resort to the courts is available. (p. 548)

5. SAME—when act does not violate section 13 of article IV of constitution. Where portions of one statute are adopted by reference in another, the effect is the same as though the statute or the provision adopted had been incorporated bodily into the act, and it does not follow that because a statute refers to and adopts part of other statutes it thereby amends them in violation of section 13 of article IV of the constitution. (p. 550)

6. SLUM CLEARANCE—Urban Community Conservation Act does not include subjects not contained in title. It cannot be contended that the Urban Community Conservation Act includes subjects not contained in its title because there is nothing in the title to indicate an intention to deal with zoning regulations, repair of dilapidated buildings or the exercise of eminent domain, as each of these matters is germane to the prevention of slum and blighted areas referred to in the title of the act. (p. 550)

7. SAME—Urban Community Conservation Act does not make arbitrary classification. An act is not local or special because it

operates in but one place, or upon a particular class of persons or things, provided there is a reasonable basis for the legislative classification, and the classification of lands in the Urban Community Conservation Act is based upon a reasonable and substantial difference in situations bearing a proper relation to the purposes to be attained by the statute. (p. 551)

8. SAME—when validity of section 7 of Urban Community Conservation Act is not considered. Section 7 of the Urban Community Conservation Act, making the cost of necessary repairs to make property conform to minimum standard requirements a lien upon the property, is separable from the rest of the act, and its invalidity could have no effect upon the other provisions of the act, and where it is not alleged that municipal authorities have applied to a court for an order permitting such improvements as provided in the act, the validity of the section will not be considered. (p. 552)

(No. 33233—Decree affirmed)

DAVID ZISOOK et al., Appellants, vs. MARYLAND-DREXEL NEIGHBORHOOD REDEVELOPMENT CORPORATION, et al., Appellees.

Opinion filed September 23, 1954

3 Illinois 2nd 570

1. CONSTITUTIONAL LAW—Neighborhood Redevelopment Corporation Law as amended does not unlawfully delegate legislative power. The Neighborhood Redevelopment Corporation Law as amended does not unlawfully delegate legislative power to the commissions in failing to prescribe standards or rules to govern the determination of what shall constitute a conservation area, as the combination of factors which produce the result at which the legislation is aimed cannot be appraised with precision, the definition contained in the act being a sufficient designation of the urban areas which may become conservation areas. (p. 574)

2. SAME—section 24 of Neighborhood Redevelopment Corporation Law as amended does not grant unlimited discretion as to the size of a redevelopment area. Section 24 of the Neighborhood Redevelopment Corporation Law as amended does not vest the commission with unlimited discretion as to the size of a redevelopment area, but the size is governed by the precise standards prescribed in the section which fix the maximum and minimum size unless conditions described require the area to be increased or diminished. (p. 576)

3. SAME—section 3-4 of Neighborhood Redevelopment Corporation Law does not authorize unlimited development plan. Section 3-4 of the Neighborhood Redevelopment Corporation Law does not provide for a development plan without limitations as to the kind of a plan for a conservation area which may be accepted and approved by the commission, as the section defines at considerable length the development plan's requirements and section 17 of the act describes in great detail the requirements of a development plan. (p. 577)

4. SAME—Neighborhood Redevelopment Corporation Law is not invalid for failure to prescribe qualifications of members of commission. The Neighborhood Redevelopment Corporation Law is not invalid in failing to prescribe the qualifications of members of the redevelopment commission, as section 4 of the act provides conditions under which the members are to be appointed, and affirmative qualifications need not be affixed to an office of this character but the legislature may prescribe the manner in which the office may be filled. (p. 578)

5. SAME—section 42 of Neighborhood Redevelopment Corporation Law as amended does not delegate legislative power to property owners. In its provision for assent by property owners to a development plan as an alternative requirement for condemnation proceedings, section 42 of the Redevelopment Corporation Law as amended does not delegate legislative power to property owners, as the power of eminent domain is to be exercised upon certain conditions designed to insure the likelihood that a plan can be successfully implemented before the power is exercised, the legislature having power to enact a law the operation of which depends upon a contingent event. (p. 580)

6. SAME—amended title of Neighborhood Redevelopment Law is not misleading. All that is required of the title of an act is that it fairly indicate the general subject and reasonably cover all provisions of the act, so as not to mislead either the legislature or the public, and the amended title of the Neighborhood Redevelopment Corporation Law is not misleading, as it fairly expresses as one of its objectives the prevention of slums and the provisions of the act with respect to conservation areas are germane to that objective. (p. 582)

7. Other questions in this case are controlled by the decisions in *Zurn v. City of Chicago*, 389 Ill. 114, and the *People ex rel. Gutknecht v. City of Chicago*, ante, p. 539. (p. 575)

No. 33662 — Judgment affirmed)

THE PEOPLE ex rel. Housing Authority of the City of East St. Louis, Appellee, vs. CLINTON HURSEY, et al., Appellants.

Opinion filed January 19, 1956

7 Illinois 2nd 537

1. HOUSING AUTHORITIES—the purpose of public housing authorities. Public housing authorities are bodies corporate and politic created by the legislature to exercise public and essentially local government functions, and their purpose is to protect the public health, safety, morals and welfare, and as such the legislature may control and dispose of their property as shall appear to be best for the public, so long as such disposition does not violate the constitutional mandate against impairment of contracts. (p. 542)

2. SAME—1953 amendment to paragraphs 3 and 17 (b) (2) of the Housing Authorities Act is not invalid as impairing obligation of contracts. The 1953 amendment to paragraph 3 and 17 (b) (2) of the Housing Authorities Act, which provides that where a city housing authority becomes successor to a county housing authority it shall take over not only all the property of the county authority within its territorial limits, but also all county authority obligations, is valid and does not impair the rights of contract creditors, as any person with such rights against the county would have the same rights against the successor city authority, with the same remedial rights and the same property interests and credit supporting the contract. (p. 543)

3. SAME—1953 amendment to paragraphs 3 and 17 (b) (2) of the Housing Authorities Act includes transfer of funds on deposit outside the city. The 1953 amendment to sections 3 and 17 (b) (2) of the Housing Authorities Act, which provides that where a city housing authority becomes the successor to a county housing authority it shall take over all of the property of the county authority within its territorial limits, includes the taking over of funds on deposit outside the city, as a bank deposit is merely a chose in action and is a debt owing by the depository, collectible by the person or agency to whom owed, and it was clearly the statutory intent that funds attributable to, or arising from any project or property within the city, and constituting a debt due the authority, should pass to the city authority with the property. (p. 544)

4. MANDAMUS—when issuance of writ of mandamus is warranted—housing authorities. In a suit by a city housing authority seeking to compel its predecessor, a county housing authority, to convey to it title to certain housing projects, transfer of all money and personal property held for use in the construction, maintenance and operation thereof, and assignment of all contracts and obligations relating to them, under the authority of the 1953 amendment to the Housing Authorities Act, the duties sought to be enforced are strictly of a public nature, and where all the material allegations of fact admitted by the pleadings establish a clear right to a writ of mandamus and there are no disputed questions of fact for the jury, the issuance of a writ is warranted, and a prior demand was not necessary before the institution of mandamus proceedings. (p. 545)

Additional decision to be inserted on p. 100 of Illinois Housing Laws (Green Book) following decision in DAVID ZISOOK, et al., Appellante, vs. MARYLAND-DREXEL NEIGHBORHOOD REDEVELOPMENT CORPORATION, et al., Appellees. 3 Illinois 2nd 570.

4 Ill. 2nd 319
(Nos. 33296, 33312 - Judgments reversed.)

CHICAGO HOUSING AUTHORITY, Appellee, vs. SOL AND CAROL BLACKMAN, Appellants.- CHICAGO HOUSING AUTHORITY, Appellee, vs. GRACE CLARK, Appellant.

(Opinion filed November 18, 1954.)

1. Appeal and error - when constitutional question is involved in appeals from judgments in forcible entry and detainer. Where defendants who are tenants in a public housing owned and operated by a housing authority are served with notices terminating their tenancies for failure to subscribe to the loyalty oath required of such tenants by section 25.01 of the Housing Authorities Act, and the defendants attack the constitutionality of the statutory requirement, a constitutional question is involved in appeals from judgments against them in forcible entry and detainer actions even though their tenancies were subject to termination upon notice without regard to such failure. (p.321)

2. Same - when defendants are entitled to determination of constitutional issues. It cannot be contended that defendants in forcible entry and detainer actions who failed to take the oath required under section 25.01 of the Housing Authorities Act are not entitled, on appeal from judgments against them, to have the constitutionality of such requirement passed upon because they do not allege they are members of any subversive organization, as the ground for their eviction under said section is not membership in such organization but failure to take the prescribed oath. (p.321)

3. Constitutional law - oath required by section 25.01 of Housing Authorities Act offends due process. The oath required of tenants under section 25.01 of the Housing Authorities Act, in its failure to require that the tenant is not "knowingly" affiliated with organizations of the proscribed character, offends due process, as he cannot conscientiously take the oath unless he is sure that every organization to which he belongs is not one of that character, and as a result he is excluded from the public housing, nothing in the language of the required oath indicating that the tenant is merely negating affiliation with organizations which, to his knowledge, have the proscribed character. (p. 323)

4. Housing Authorities - housing authority cannot require tenant to certify as to nonmembership in subversive organizations. The purpose of the Housing Authorities Act is to eradicate slums and provide housing for persons of low-income class, and the exclusion of tenants otherwise qualified solely because of membership in organizations designated as subversive by the Attorney General has no tendency to further such purpose, and a housing authority has no power, under the statute, to require a tenant to execute a certificate of nonmembership in subversive organizations. (p. 326)



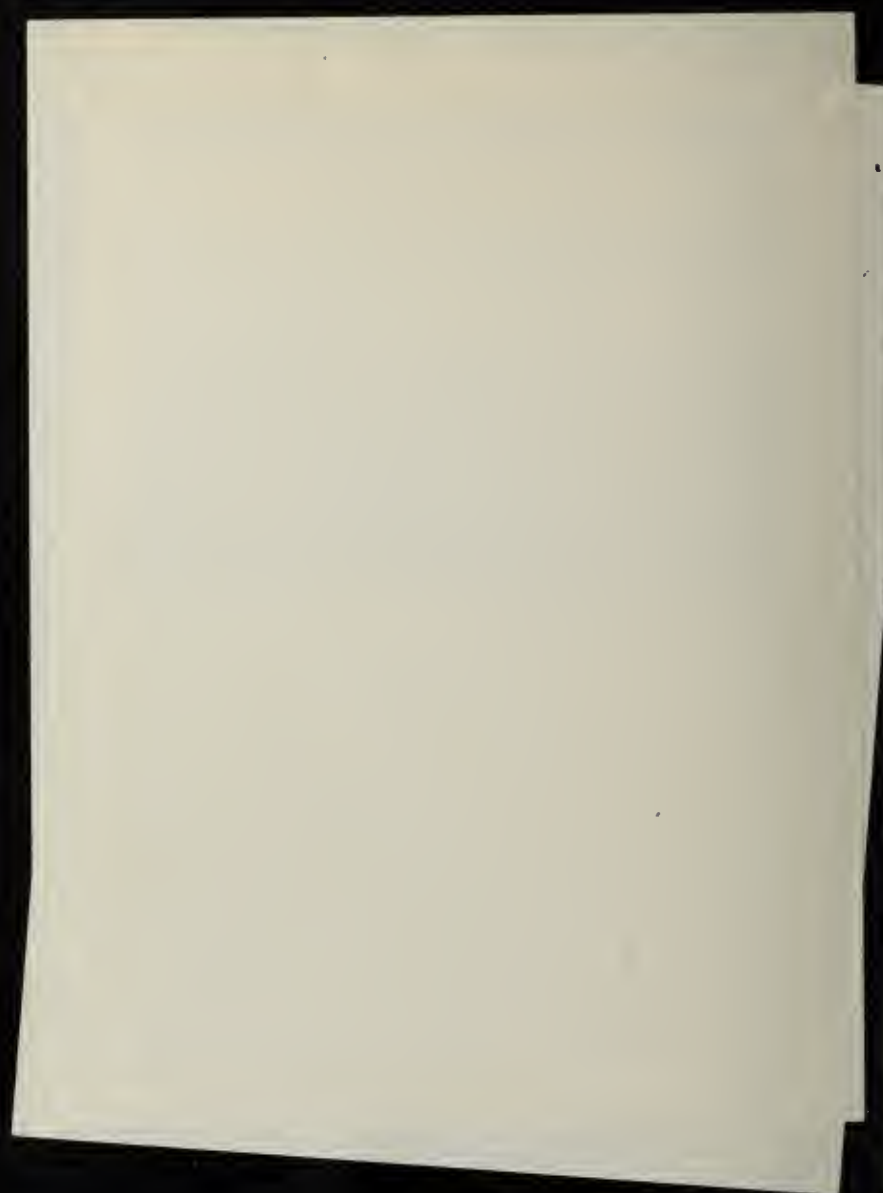
Additional decision to be inserted on p. 100 of Illinois Housing Laws (Green Book) following decision in the People ex rel. Housing Authority of the City of East St. Louis, Appellee, vs. Clinton Hursey, et al, Appellants. 7 Illinois 2nd 537.

10 Ill. 2nd 501
(No. 34174 - Judgment affirmed.)

CHICAGO LAND CLEARANCE COMMISSION, Appellee, vs. IRMA C. ROSENAU, et al - (FLORENCE KOSTNER, Appellant.)

Opinion filed January 24, 1957 - Rehearing denied March 19, 1957.

Eminent domain - when denial of leave to file traverse is not improper. The trial court, in a condemnation proceeding, may enter an order requiring all defendants to file their traverses and motions within a specified time so that the court can control its calendar and dispose of all traverses which raise the same question at one hearing, and where such order is entered more than ten months after the filing of the petition to condemn, it is not an abuse of discretion for the court to deny defendant's verified petition filed more than a year after entry of the order, alleging illness and the belief that her attorney was attending to the matter as excuse for failure to file a traverse, where defendant was represented by competent counsel of her own choosing during the entire period in question and at no time gave any intimation of a desire to file such a traverse, and where, in fact, defendant's counsel at the time the order was entered expressly denied that defendant had any such intention. (p. 506)



Additional decision to be inserted on p. 100 of Illinois Housing Laws (Green Book) following decision in Chicago Land Clearance Commission, Appellee, vs. Irma C. Rosenau et al - (Florence Kostner, Appellant.) 10 Illinois 2nd 501.

Vol. 11 2nd 111

(No. 34263 - Judgment affirmed.)

CHICAGO LAND CLEARANCE COMMISSION, Appellee, vs. QUINN HOME BUILDERS et al., Appellants.

Opinion filed March 20, 1957 - Rehearing denied May 20, 1957.

1. Constitutional law - Blighted Areas Redevelopment Act of 1947, as amended in 1949, is valid. The Blighted Areas Redevelopment Act of 1947, as amended in 1949, is not invalid as failing to sufficiently define "blighted vacant area." (People ex rel. Gutknecht vs. City of Chicago, 414 Ill. 600, followed.) (p.113)
2. Eminent domain - when condemning authority establishes a prima facie case for acquiring land under Blighted Areas Redevelopment Act. Where, in a condemnation suit, the Chicago Land Clearance Commission, proceeding under its approved redevelopment plan, introduces in evidence a resolution determining that the area in question is a blighted vacant area within the meaning of the Blighted Areas Redevelopment Act of 1947, as amended in 1949, and also introduces in evidence the ordinance of the Chicago city council and the resolution of the State Housing Board approving the determination, it establishes, prima facie, the authority to acquire the land by eminent domain, and where no evidence is introduced to overcome the case so made, defendant's traverse to the petition to condemn will be overruled. (p.113)
3. Same - what is adequate determination that land is blighted area. Where the Chicago Land Clearance Commission finds that property is a blighted vacant area and that taxes or special assessment delinquencies exceed its "fair value," and where such determination is approved by the city council and the State Housing Board, such determination is adequate to support a petition to condemn, and it may not be contended that the determination is fatally defective as being based upon a finding that tax delinquencies exceed "assessed value" rather than "fair value" as the statute requires, basing such contention upon statements in a pamphlet report of the Commission's planning division, particularly as it is not essential that there be tax delinquencies for under the statute the Commission must determine whether the area impairs or arrests the sound development of the community by reason of a number of enumerated conditions, tax delinquency being only one of these conditions. (p.113)
4. Same - when factors existing at the time the condemning authority makes determination are controlling. Even though a long period of time has elapsed between the condemning authority's determination that the land to be acquired is a blighted vacant area and the filing of its petition to condemn, factors relating to tax delinquencies and other conditions of the area existing on the date of that determination are controlling, and where the delay was not unreasonable, was due to a quo warranto proceeding attacking the Commission's authority, and cannot be ascribed to any lack of diligence on the part of the condemning authority, it may not be argued that the determination is rendered obsolete because available housing has increased and tax delinquencies have been largely eliminated through foreclosure suits in the interim. (p. 115)
5. Appeal and error - when issues will not be considered because of failure to abstract. Where defendants, in a condemnation proceeding under the Blighted Areas Redevelopment Act, criticize certain aspects of the condemnor's redevelopment plans, but fail to abstract the plans, the issues raised by such criticism will not be considered on appeal. (p. 116)



Additional decision to be inserted on p. 100 of Illinois Housing Laws (Green Book) following decision in Chicago Land Clearance Commission, Appellee, vs. Quinn Home Builders et al., Appellants. 11 Illinois 2nd 111.

Vol. 14 Ill. 2nd 74

(No. 34607 - Judgment affirmed)

THE PEOPLE ex rel. Benjamin S. Adamowski, Appellant, vs. CHICAGO LAND CLEARANCE COMMISSION, Appellee. - (RALPH J. FINITZO et al., Intervenor, Appellants.)

Opinion filed May 21, 1958 - Rehearing denied June 18, 1958.

1. Eminent domain - 1955 amendments to Blighted Areas Redevelopment Act are valid. The 1955 amendments to the Blighted Areas Redevelopment Act, authorizing platted open land to be developed for residential "or other use" if certain specified requirements are met, are not invalid as violating the constitutional prohibition against taking private property for other than a public purpose, for the acquisition of a slum and blighted area and the removal of the slum conditions accomplish a public purpose regardless of the use thereafter made of the property, and it may not be contended that under the amendatory act it is the redevelopment and not the taking that constitutes the public purpose or that the amendments are invalid and the public purpose defeated because the area once acquired might never be developed, for the amendments provide adequate safeguards that the property will be developed for residential or other use. (p. 78)

2. Same - 1955 amendments to Blighted Areas Redevelopment Act do not delegate legislative power. The provision of the 1955 amendments to the Blighted Areas Redevelopment Act requiring that before any land condemned may be developed for other than residential use there must be an administrative and municipal determination that residential development is not "feasible," does not render the amendatory act invalid on the ground that the words "feasible" and "other use" are vague, indefinite and uncertain or that the determination of feasibility of residential development is not adequately safeguarded by legislative directives controlling and limiting the method of formulating such finding. (p. 79)

3. Constitutional law - what powers may be delegated by the legislature. While the legislature may not delegate or divest itself of its general legislative authority or delegate its power to make a law, it can make a law delegating a power to determine some facts or state of things in pursuance of the law itself and upon which the law makes, or intends to make, its own action depend, the scope of permissible delegation being measured by the complexity and diversity of the conditions which will be encountered in the enforcement of the statute. (p. 80)

4. Same - when a statute is sufficiently definite. A statute satisfies the requirement of certainty if the words and phrases employed have a technical or other special meaning sufficiently well known to enable those within their reach to apply them. (p. 82)

Klingbiel and House, JJ., dissenting.



Additional decision to be inserted on p. 100 of Illinois Housing Laws (Green Book) following decision in The People ex rel. Benjamin S. Adamowski, Appellant, vs. Chicago Land Clearance Commission, Appellee, - (Ralph J. Finitzo et al., Intervenor, Appellants.) 14 Ill. 2nd 74.

Vol. 17 Ill. 2nd 602

(No. 35118 - Affirmed in part; reversed in part.)

Housing Authority of the City of East St. Louis, Appellant, vs. George Kosydor et al., Appellees.

Opinion filed November 19, 1959.

1. Eminent Domain - when verdict as to value of real property taken will be sustained - personal property. Where the jury has viewed the premises and the amount fixed by the verdict is within the range of the evidence, the verdict will not be disturbed unless it is clearly the result of mistake, passion or prejudice, and a verdict within the range of the evidence will not be set aside merely because witnesses testified that the present use was the highest and best use and the property owners were permitted to introduce, over objection by the condemnor, immaterial evidence as to the amount of personal property they owned, the jury having been instructed that it was only to fix "the fair cash market value of the property taken," and it being evident from the fact that there was a separate verdict awarding damages for moving expenses that the jury was aware that personal property was being retained by the owners. (p. 604)

2. Same - property owner is entitled to award of fair cash market value of property only. The constitutional and statutory prohibitions of the taking or damaging of private property for public use without "just compensation" do not guarantee the owner a return on his investment, but require only that he will receive the "fair cash market value" of the property at the highest and best use to which it is adapted, "market value" being the price which property would bring if it were offered for sale by a willing seller to a willing buyer, and generally exceptions to this objective standard occur only when the property has special capabilities which make it unmarketable at its true value due to unique improvements, such as a church, school, or railroad. (p. 605)

3. Same - award of damages for anticipated expense of removing personal property will be set aside. Where the jury awards the owners of the property to be condemned damages for the anticipated expense of removing their personal property from the premises, in addition to the award for land taken, the award for expense of removal will be set aside, there being no evidence that the condemning authority sought to take the owners' personal property, as "just compensation" does not comprehend moving expenses as an element except where private property is taken only temporarily for public use, and it may not be contended that a denial of damages for moving expenses amounts to a confiscation of defendants' stock in trade. (p. 607)

Appeal from the County Court of St. Clair County;
the Hon. William P. Fleming, Judge, presiding.



Additional decision to be inserted on p. 101 of Illinois Housing Laws (Green Book) following the decision in George T. Juras and Rose Juras, Appellants, vs. Chicago Housing Authority, Appellee. 1 Ill. App. 2nd 297.

Jacob Shapiro, et al., Plaintiffs-Appellant, vs. Chicago Land Clearance Commission, etc., et al., Defendants-Appellee.

Vol. 19 Ill. App. 2nd 461

Gen. No. 47470

First District, Second Division.

November 25, 1958

Released for publication December 16, 1958.

Certiorari, § 19-propriety of proceeding to review land clearance commission decision.

Certiorari proceeding would not lie to review decision of city land clearance commission declaring an area in city to be a slum and blighted area eligible for redevelopment under Blighted Areas Redevelopment Act (Ill. Rev. Stats. 1957 ch. 67½ §§ 63-91.

Appeal from Circuit Court of Cook County;
The Hon. Harry M. Fisher, Judge presiding. Affirmed.



SYNOPSIS OF DECISIONS BY THE ILLINOIS
APPELLATE COURT:-

CHICAGO HOUSING AUTHORITY, Appellant, v. STANLEY
MOLIS, Appellee.

Gen. No. 44,435

335 Ill. App. - 491

Forcible entry and detainer, § 22 *-propriety of eviction of tenant. Under provisions of McCarthy Act prohibiting State or local public agencies assisted by federal funds for housing from maintaining proceedings to recover possession of housing accommodations prior to March 1, 1948, unless in opinion of administering authority "other housing facilities" are available for occupants of such housing accommodations, the quoted words include housing available for purchase; hence Chicago Housing Authority could evict a tenant from an apartment in a low-rent housing project where tenant's income exceeded maximum income limitation established by Authority for tenants in such project, and purchase housing was available, notwithstanding that rental housing was unavailable. (Ill. Rev. Stat. 1947, ch. 67½, pars. 2, 8, 24, 25; Jones Ill. Stats. Ann. 63.02, 63.08, 63.19 (5), 63.19 (6).)

Harold Young on Behalf of Himself and on Behalf of Employees of the Chicago Housing Authority, Plaintiffs-Appellants, v. Chicago Housing Authority et al., Defendants-Appellees, and Florence McNamara, Individually and on behalf of Employees of the Chicago Housing Authority, Intervenor-Defendant-Appellees.

Gen. No. 46,002

350 Ill., App. 287

1. PLEADING, § 174 *-admissions by motion to dismiss. Where case is decided on defendants' motion to dismiss, there is no dispute as to the facts.

2. MUNICIPAL CORPORATIONS, § 316.1 *-employees of housing authority. Commissioners of Chicago Housing Authority have by statute been granted the power to impose such qualifications, terms and conditions for employment as they in their discretion may require (Ill. Rev. Stats. 1951, ch. 67½, 3; Jones Ill. Stats. Ann. 63.03).

3. ADMINISTRATIVE LAW, § 9 *-judicial interference. As a general rule courts will not interfere with the discretionary acts of municipal officers.

4. MUNICIPAL CORPORATIONS, § 316.1 *-fingerprinting of housing authority employees. Program of Chicago Housing Authority for screening of employees, for purpose of protecting tenants and employees and the good name of the Authority, by fingerprinting of employees by police, sending the imprints to local, state and federal bureaus of identification for matching against those of convicted persons already on file, and the return, if matched, of information from police files to the Authority, was reasonable and within discretionary power of the Authority, and complaint to enjoin such fingerprinting was properly dismissed for want of equity.

5. MASTER AND SERVANT, § 10 *-validity of employment contract. Requirement of fingerprinting as a condition of employment does not violate rights of any employee.

George T. Jurus and Rose Jurus, Appellants, v. Chicago Housing Authority, Appellee.

Gen. No. 46,107. (Abstract of Decision.)

1 Ill. App. 2d 297

EMINENT DOMAIN, § 27 *-rehabilitation as public pur-

pose. That Chicago Housing Authority, in proceedings to condemn property within an area designated as an "integrated project" for rehabilitation and redevelopment of a blighted or slum area, had made an agreement for sale of the property to the owner of hospital facilities in the area did not mean that the property was being taken for a private purpose.

Opinion by Justice Kiley. Not to be published in full.

C

SYNOPSIS OF DECISION BY THE UNITED STATES DISTRICT
COURT, NORTHERN DISTRICT OF ILLINOIS, EASTERN
DIVISION.

ROBINETTE et al. v. CHICAGO LAND CLEARANCE COM-
MISSION, et al.

No. 50 C 68

United States District Court
N. D. Illinois, E. D.
June 26, 1951

Cite as 115 F. Supp. 669

Action to have Illinois Blighted Areas Redevelopment Act declared unconstitutional and its enforcement by city land commission and state housing board enjoined and for damages under Civil Rights Act. The District Court, Campbell, J., held, inter alia, that where city land commission and state housing board proposed the condemnation of certain realty pursuant to Illinois Blighted Areas Redevelopment Act, proposed resale of realty to private corporation, at price less than amount of condemnation award or purchase price, pursuant to contract between commission and corporation for construction of private housing project thereon, would not violate equal protection clause of federal constitution.

Motions to dismiss amended complaint granted.

1. COURTS—Ordinarily, where plaintiff seeks to enjoin enforcement of state statute as being violative of federal constitution, judge must convene a three-judge court even for purpose of dismissing complaint for failure to state claim but exception is made if jurisdiction is founded solely upon alleged presence of federal question and federal question claims are insubstantial.

2. EMINENT DOMAIN—The steps required to be taken precedent to exercise of power of eminent domain are legislative questions but question whether such steps have actually been taken is judicial.

3. EMINENT DOMAIN—In condemnation suit instituted by the administrative agency under Illinois Blighted Areas Redevelopment Act, the trial court can determine whether conditions precedent to the exercise of the right of eminent domain have been fulfilled. S.H.A. ch. 67½, § 63 et seq.

4. CONSTITUTIONAL LAW—Eminent Domain—Illinois Blighted Areas Redevelopment Act was not violative of due process clause of federal constitution because it authorized city land commission and state housing board to determine that area in which realty owners' property was situated was slum and should be redeveloped without affording to owners' notice, opportunity to be heard, or judicial review, since such determination was merely precedent to exercise of power of eminent domain and realty owners' rights could be protected in subsequent eminent domain proceeding. S.H.A. ch. 67½, § 63 et seq.; Ill. Rev. St. 1931, ch. 32 § 5; U.S.C.A. Const. Amend 14.

5. CONSTITUTIONAL LAW—Where a state law is enacted for a public purpose, parties complaining of such law will not be permitted to invoke protections of the fourteenth amendment to federal constitution. U.S.C.A. Const. Amend 14.

6. CONSTITUTIONAL LAW—Whether a particular line of action serves a public purpose is a practical question addressed to the law-making department of a state, and it requires a plain case of departure from every public purpose which could reasonably be conceived to justify the intervention of a court.

7. STATES—If the purpose of legislation is legitimate because public, such legislation will not be defeated because the execution of it involves payments or incidental pecuniary benefits to private individuals or corporations.

8. CONSTITUTIONAL LAW—Where city land commission and state housing board proposed the condemnation of certain realty pursuant to Illinois Blighted Areas Redevelopment Act, proposed resale of realty to private corporation, at price less than amount of condemnation award or purchase price, pursuant to contract between corporation and commission for construction of private housing project thereon, would not violate equal protection clause of federal constitution. S.H.A. ch. 67½, § 63 et seq.; Ill. Rev. 1931, ch 32, § 5; U.S.C.A. Const. Amend 14.

9. CONSTITUTIONAL LAW—Health—Illinois Blighted Area Redevelopment Act providing for redevelopment of slum areas is not violative of privileges and immunities clause of clause of fourteenth amendment. S.H.A. ch. 67½, § 63 et seq.; U.S.C.A. Const. Amend 14.

10. CIVIL RIGHTS—Conspiracy—Complaint for damages under Civil Rights Act provisions relative to enjoyment of equal rights under law, deprivation of civil rights and conspiracy to deprive persons of constitutional rights and privileges, alleging proposed condemnation of realty pursuant to Illinois Blighted Areas Redevelopment act and execution of agreement with private corporation for conveyance of realty to corporation, at price less than condemnation price, pursuant to contract for construction of private housing project thereon, was insufficient. S.H.A. ch. 67½, § 63 et. seq.; U.S.C.A. § § 41, 43, 47(3).

CAMPBELL, District Judge (N.B. Motion denied by the Supreme Court of the United States for leave to file Petition for a Writ of Mandamus to compel Judge Campbell to expunge his order of dismissal and to convene a three Judge Court to decide the cause 342 U.S. 940, 72 S. Ct. 563, 96 L. Ed. 699.)

-D-

SYNOPSIS OF DECISIONS BY THE UNITED STATES COURT OF APPEALS, SEVENTH CIRCUIT:-

BRAND et al. v. CHICAGO HOUSING AUTHORITY
No. 7581

Circuit Court of Appeals, Seventh Circuit
May 24, 1941
120 F. 2d 786

1. LANDLORD AND TENANT—Under statute and contract between United States Housing Authority, a governmental agency, and local housing authority, where a minimum and maximum schedule of rents for tenants was provided and lease to tenant was permitted only where net income of tenant did not exceed a designated ratio to the amount fixed as rental, and lease contract with tenant permitted termination of tenancy on 15 days' notice, the local housing authority was authorized to reduce rentals and thereby disqualify plaintiff tenants who had been selected and accepted as eligible under higher rental. Smith-Hurd Stats. Ill. c. 67½, § 1 et seq., and § 27; United States Housing Act of 1937 § § 1, 2, 12 (d, e), 42 U.S.C.A., § 1401, 1402, 1412 (d, e).

2. LANDLORD AND TENANT—Where local housing authority was operating low-rent housing project under lease from United States Housing Authority, a governmental agency, provision in local housing authority's lease to tenant permitting termination of tenancy on 15 days' notice was valid and binding upon tenant in same manner as though lessor had been a private person rather than a governmental agency. Smith-Hurd Stats. Ill. c. 67½, § 1 et seq.; United States Housing Act of 1937, § § 1, 2, 12 (d, e), 42 U.S.C.A. § § 1401, 1402, 1412 (d, e).

3. UNITED STATES—Where the United States enters into contract relation, its rights and duties therein are governed generally by the law applicable to contracts between private individuals.

4. CONSTITUTIONAL LAW—Under statute and contract between United States Housing Authority, a governmental agency, and local housing authority, where a minimum and maximum schedule of rents for tenants was provided and lease to tenant was permitted only where net income of tenant did not exceed a designated ratio to the amount fixed as rental and lease contract with tenant permitted termination of tenancy on 15 days' notice, plaintiff tenants who had been selected and accepted as eligible under high rental were not deprived of rights without "due process of law" because no hearing was allowed them upon matter of reduction in rental, which reduction rendered them ineligible as tenants. Smith-Hurd Stats. Ill. c. 67½, § 1 et seq., and § 27, United States Housing Act of 1937, § § 1, 2, 12 (d, e), 42 U.S.C.A. § § 1401, 1402, 1412 (d, e).

5. LANDLORD AND TENANT—Under statute and contract between United States Housing Authority, a governmental agency, and local housing authority, where a minimum and maximum schedule of rents for tenants was provided and lease to tenant was permitted only where net income of tenant did not exceed a designated ratio to the amount fixed as rental and lease contract with tenant permitted termination of tenancy on 15 days' notice, eviction proceedings against tenant who had been selected and accepted as eligible under a high rental but who had been disqualified by reduction in rentals were not contrary to "public policy" as declared by federal and state housing acts. Smith-Hurd Stats. Ill. c. 67½, § 1 et seq., and § 27; United States Housing Act of 1937, § § 1, 2, 12 (d, e), 42 U.S.C.A. § § 1401, 1402, 1412 (d, e).

Appeal from the District Court of the United States for the Northern District of Illinois, Eastern Division; Michael L. Igoe, Judge.

Action for injunction by Adolph Brand and others against Chicago Housing Authority. From a judgment dismissing the bill of complaint, plaintiff appeals.

MAJOR, Circuit Judge.

WADDELL v. CHICAGO LAND CLEARANCE COMMISSION
No. 10900

United States Court of Appeals Seventh Circuit
Aug. 11, 1953
Cite as 206 F. 2d 748

Action challenging validity of Illinois Blighted Areas Redevelopment Act. The United States District Court for the Northern District of Illinois, Eastern Division, William J. Campbell, J., dismissed the cause, and plaintiffs appealed. The Court of Appeals, Lindley, Circuit Judge, held that where plaintiffs had previously attacked constitutionality of the statute in both state and federal courts, wherein their claims had been decided against them, action at bar, raising same issue failed to present a substantial federal question, and district judge was justified in dismissing

cause for want of jurisdiction.

Appeal dismissed.

1. COURTS—Existence of a substantial federal question is jurisdictional and essential to jurisdiction of a statutory three judge court, but initial question of jurisdiction may be decided by a district judge to whom application is made. 28 U.S.C.A. § 2281.

2. COURTS—Where plaintiffs had previously attacked constitutionality of Illinois Blighted Areas Redevelopment Act in both state and federal courts, wherein their claims had been decided against them, plaintiffs, in subsequent action challenging validity of such statute, presented no substantial federal question for three judge court, and district judge was justified in dismissing cause for want of jurisdiction. S.H.A. Ill. ch. 67½, § 63 et seq.; 28 U.S.C.A. § 2281.

3. COURTS—Even if plaintiffs were correct in their contention that district judge had no jurisdiction to enter order dismissing, as failing to present substantial federal question, action challenging validity of state statute, Court of Appeals would have no jurisdiction on appeal, but petition for writ of mandamus would

Additional decision to be inserted on p. 103 of the Illinois Housing Laws (Green Book) following the decision in Inez White et al., vs. Chicago Land Clearance Commission, a Municipal Corporation, 344 U.S. 824; 73 S. Ct. 23, 97 L. Ed. 641.

Florence Kostner, Petitioner, vs. Chicago Land Clearance Commission, a Municipal Corporation, 355 U. S. 820; 2 L. Ed. 2nd 36, 78 S. Ct. 25.

No. 194

Facts and opinion, Chicago Land Clearance Commission vs. Rosenau, 10 Ill. 2nd 501, 140 N. E. 2nd 695.

Petition for Writ of Certiorari to the Supreme Court of Illinois. Denied, October 14, 1957.



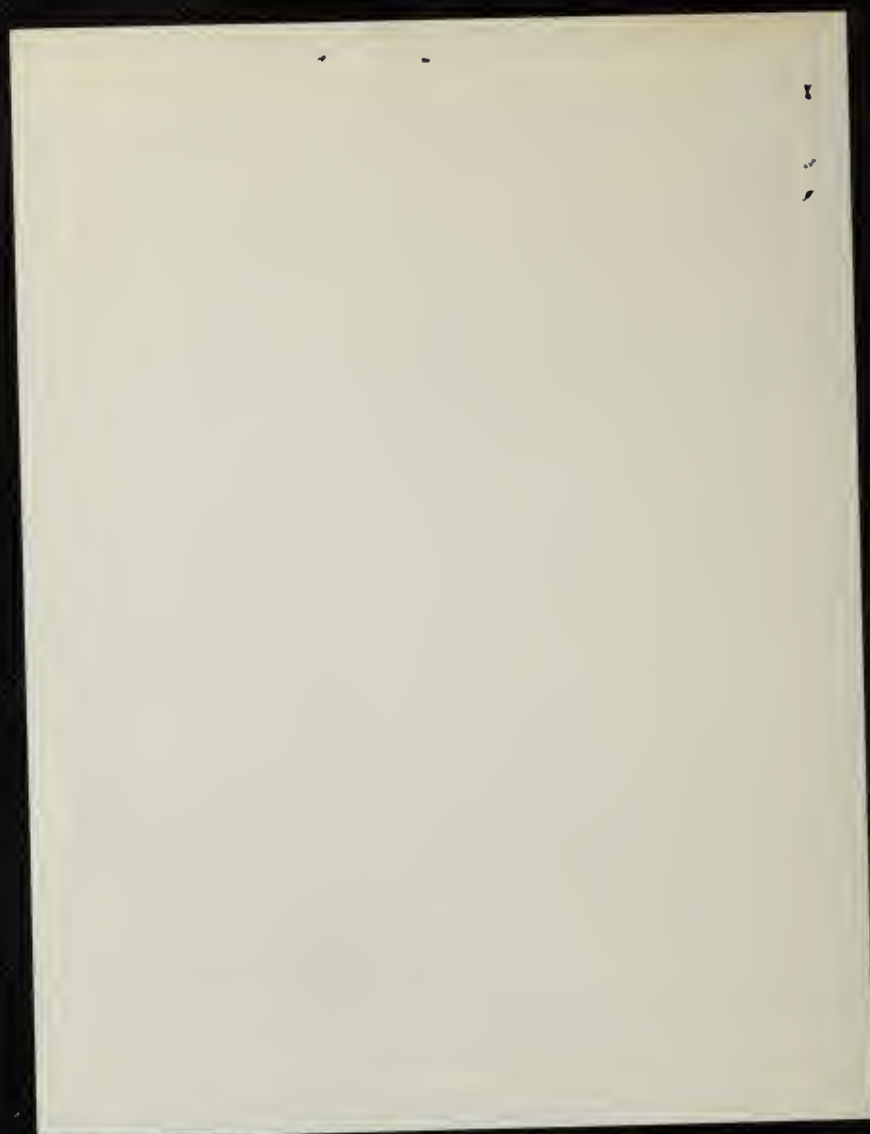
Additional decision to be inserted on p. 103 of Illinois Housing Laws (Green Book) following the decision in Florence Kostner, Petitioner, vs. Chicago Land Clearance Commission, a Municipal Corporation, 355 U.S. 820; 2 L. Ed. 2nd 36, 78 S. Ct. 25.

Thomas O'Donnell and Mary O'Donnell, Petitioners, vs. Chicago Land Clearance Commission, a Municipal Corporation, 355 U. S. 856; 2 L. Ed. 2nd 64, 78 S. Ct. 85.

No. 376

Facts and opinion, Chicago Land Clearance Commission vs. Quinn Home Builders 11 Ill. 2nd 111; 142 N. E. 2nd 60.

Petition to Writ of Certiorari to the Supreme Court of Illinois. Denied, October 21, 1957.



be appropriate remedy. S.H.A. Ill. ch. 67½, § 63 et seq., 28 U.S.C.A. § 2281.

4. APPEAL AND ERROR—Where constitutionality of Illinois Blighted Areas Act has been repeatedly attacked and upheld during some six years of litigation in both state and federal courts, and action at bar was second application to district court raising identical constitutional questions, inference arose that multiplicity of litigation was employed as a delaying tactic, and appeal from order dismissing action at bar as failing to present substantial federal question, taken by appellants who had been parties to three actions before Illinois Supreme Court, and two applications to United States Supreme Court, was frivolous. S.H.A. Ill. ch. 67½, § 63 et seq. 28 U.S.C.A. § 2281.

5. COURTS—If appeal is not timely Court of Appeals must dismiss for want of jurisdiction. Fed. Rules Civ. Proc. rule 73, 28 U.S.C.A.; 28 U.S.C.A. § 2107.

6. COURTS—Motion to vacate judgment may operate to extend time for an appeal. Fed. Rules Civ. Proc. rule 73, 28 U.S.C.A.; 28 U.S.C.A. § 2107.

7. COURTS—Notice of appeal filed 45 days after entry of controlling order was not timely and would be dismissed. Fed. Rules Civ. Proc. rule 73, 28 U.S.C.A.; 28 U.S.C.A. § 2107.

8. TIME—Day of entry of judgment appealed from is excluded in computing time for filing an appeal. Fed. Rules Civ. Proc. rule 73, U.S.C.A.; 28 U.S.C.A. § 2107.

Before MAJOR, Chief Judge, and LINDLEY, Circuit Judge.

-E-

SYNOPSIS OF DECISIONS BY THE SUPREME COURT OF THE UNITED STATES:

ELIZABETH P. ROBINETTE et al., Petitioners vs. WILLIAM J. CAMPBELL, District Judge of the United States for the Northern District of Illinois, Eastern Division.

No. 261 Misc.

March 3, 1952

United States Supreme Court

Motion for leave to file Petition for Writ of Mandamus to compel Judge Campbell to expunge his order of dismissal and to convene a Three Judge Court to decide the cause, Denied.

342 United States Reports 940, 72 S. Ct. 563, 96 Law. Ed. 699.

(N.B. Facts and opinion sought to be reviewed are to be found in Elizabeth P. Robinette et al.; vs Chicago Land Clearance Commission, et al., 115 Fed. Supp. 669.)

INEZ WHITE et al., vs CHICAGO LAND CLEARANCE COMMISSION, a Municipal Corporation.

No. 125

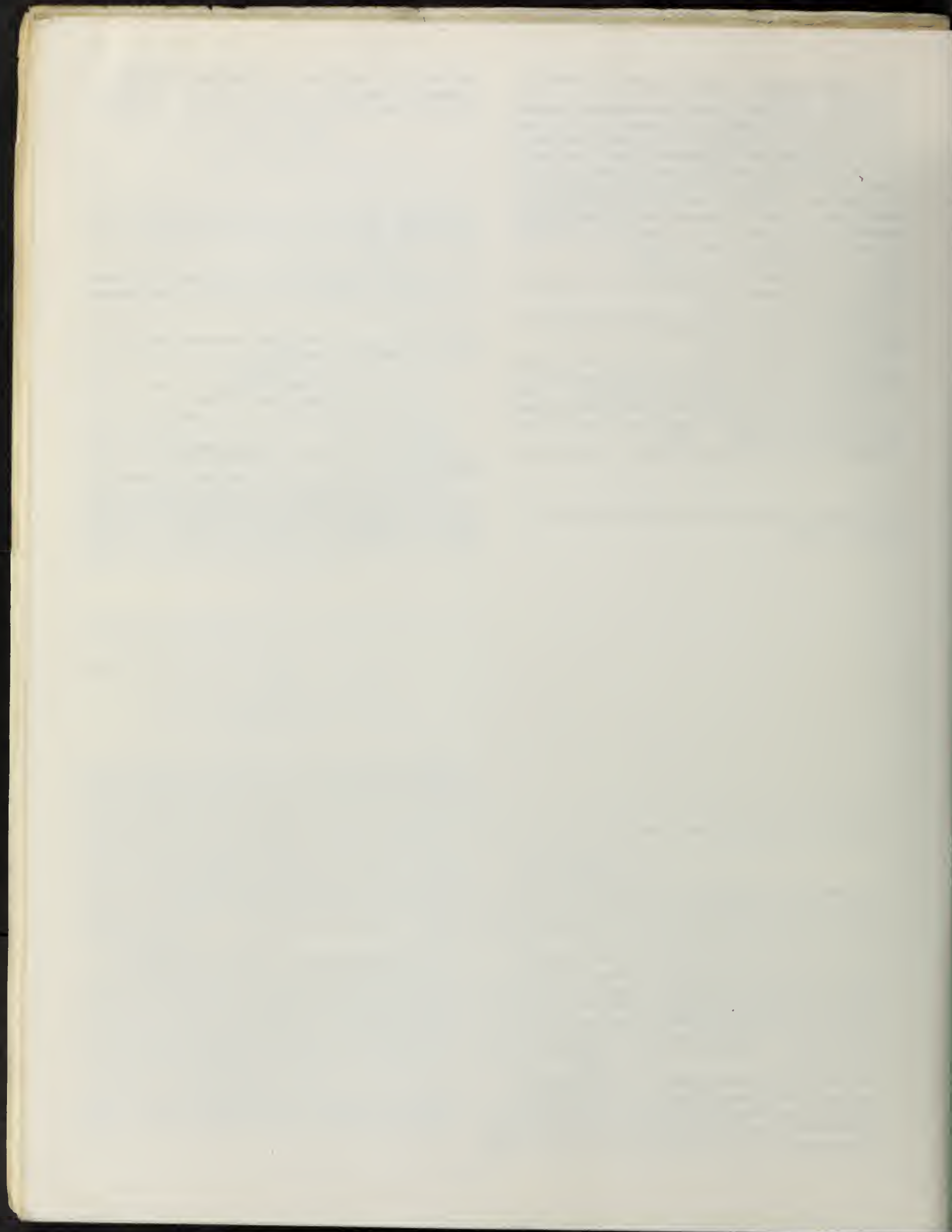
October 13, 1952

United States Supreme Court

Petition for Writ of Certiorari to the Supreme Court of Illinois, Denied.

344 United States Reports 824, 73 S. Ct. 23, 97 Law Ed. 641.

(N.B. - Facts and Opinion sought to be reviewed are to be found in Chicago Land Clearance Commission, Appellee, vs Inez White et al., Appellants, 411 Illinois 310, 104 N. E. 2d 236.)





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